Speed Victory—Buy Bonds

# THE FINANCIAL POST

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The Nation's Business

## Ottawa Must Permit Preparing for Peace

Being caught unprepared for peace will be almost as bad as being caught unprepared for war and the results of that unpreparedness may last even longer.

The possibility that Germany may crack at any time is full of importance for everybody in public and business life. In the words of Lord Halifax, "One part of your mind should prepare for a long and tough struggle, but with the other part of your mind you can legitimately watch for anything to happen."

Business and business groups have a most pressing job to do in pulling fine postwar theories and schemes down out of the skies and translating them into concrete terms.

Far too many so-called postwar planners are still at the phase of saying that "Postwar planning is a good thing." That won't do them or Canada a dime's worth of good when peace arrives.

It is only the men and firms who have their blueprints ready, who know precisely what they are going to do, how they will do it, with what raw materials and with what men and women that can claim to have done their duty. And the same holds true for the municipal, provincial and federal governments with respect to the business-breeding works which they will be undertaking.

Without in any way minimizing the urgency and the responsibility of business for getting its blueprints drafted now, it is a fact that we have been kept waiting too long by our government as to its postwar plans.

True, it may not be possible to define some vital factors in national and individual plans at present. Some things perhaps cannot be decided until war's end.

But it is very high time indeed that Ottawa should give business as clear as possible a definition of what its policy will be on matters such as:

"Demobilization" of war production: Are war factories to be shut down the moment the fighting stops and thousands of workers pitched out of their jobs? Nobody thinks that such suicidal stupidity will prevail. But it is vital to the enterprises affected and to all enterprises that government policy be determined and set forth bluntly now, both as to the policy for disposition of war plants and equipment and as to policy with respect to displaced workers.

Public works: Because they affect such a wide segment of public and business life, Ottawa should set down clearly by categories of priority, the projects it will undertake, for which its blueprints are or should be ready.

### TAX MECHANISM NEEDS OVERHAUL

Taxation: Because this is now inevitably a dominant factor in all business planning, Ottawa must give the Canadian people some reasonable estimate of tax levels in years following the war.

What would be a better stimulus to purchase of Victory Bonds, to willing acceptance of present privations than an announcement by the Minister of Finance that one year after cessation of hostilities he estimates the present tax on the $2,500 a year income of $826 (less compulsory savings $626) would be reduced to, say, $350! What a stimulus to business planning, to the enterprising point of view, if Ottawa were to announce now, not only an estimate of tax reductions, but a complete renovation of our whole tangled, stifling and inefficient tax system, including the elimination of double taxation (on corporations and on dividends therefrom).

It's only in the closest partnership between government, businessmen and workers that the big tasks ahead can be licked; that the one goal of all three groups—a better life for all people—can be achieved.

Little politicians will, of course, demur at policy announcements now. Little mathematicians will, of course, exclaim in horror at making even an estimate of probable taxation in the future.

But surely too much is at stake, surely the goals are important enough, surely we have enough men who can rise above the cheap little claims of party politics, to act now.

Ottawa's continued delay in determining and announcing basic postwar policies will bring needless and manifold hardships; curse every Canadian for decades to come.

Employment is the foundation of all social security and on business—on the individual enterpriser—almost entirely rests the job of providing a smooth transition from war to peace; of achieving the goal of a better life for all Canadians.

• • •

### MR. McTAGUE SHOWS HIS THINKING

Speaking at the Seigniory Club last week, Mr. Justice McTague did a very useful job in revealing the thinking behind his much-argued report to the Government on wages and labor relations.

Though the contents of his report have, in general, been widely known for at least two of the two and one half months since the report was submitted, Mr. McTague's address is a useful commentary and an indicator of what may be ahead.

Here, briefly, is the McTague philosophy:

1. The basic issue in current labor relations is the right of collective bargaining and Canada, he says, "has been singularly backward in dealing with this problem."
2. Canada, therefore, should have a labor code recognizing collective bargaining rights; providing legislation for this purpose which would improve on the U. S. Wagner Act.
3. Such legislation should do what is practicable to prevent irresponsible trade unionism, but, Mr. McTague warned, you cannot "legislate complete responsibility . . . union responsibility is not something that is born. It is something that develops as a result of association . . . How can a union demonstrate its responsibility without a contract?" He cited the railway unions as an example of union responsibility which was far from spontaneous and which, at least in the U. S., grew out of a grim period of conflict.
4. A new anchor must be found for the whole wage control system. "Another and more simple anchorage has to be found, and we must start all over again." The yardstick of the Nov. 15, 1941, base period is outworn and ineffective.
   Wages are moving dangerously high, Mr. McTague said, but the increases have been inequitably distributed and without regard for need in the low pay groups.
   "If the country's economy cannot absorb wage increases for heads of families earning, say, $20 a week because these increases will extend inevitably beyond the low pay group, then," he says, "some other solution must be found."
5. His "other solution to provide social security for people whose status really requires it" is a system o ffamily allowances. Mr. McTague said "investigation simply proved that practical alteratives did not exist . . . There is little use talking glibly about family allowances benig a substitute for wages. No one suggests they are. They represent a measure of social security to people whose status really requires it."

It is most regrettable that Ottawa has played around so long with this whole issue. It is equally regrettable that Ottawa has withheld the McTague report from the public since, in the two and one half months since the report was submitted, public discussion has bandied about all sorts of truths and half-truths; has built up barriers and prejudices to sound action and dispassionate decision.

Mr. McTague is very properly trying to bring about better understanding of his report. The dilatory, hatred-of-facing-the-issue habits of the administration do neither Canada nor our anti-inflation battle any good.

## Easing Ban On List of 600 Items

### WPTB Devising System for Firms to Make Certain Articles if Metal Available

By STAFF WRITER

OTTAWA.—Under review now by top officials of WPTB and DMS is the whole question of machinery and regulations looking toward the manufacture or assembly of certain civilian goods previously banned because of shortage of critical metals.

There is to be no lifting of the general ban on hundreds of articles blacklisted last fall and winter because of lack of critical materials. But a method whereby firms, which can now obtain necessary supplies of metal, may be permitted to start manufacture or assembly of the banned lines is under review. The list contains some 600 different items, ranging all the way from farm silos to paper clips and crochet hooks.

Two examples recently under consideration illustrate the point—and the problem:

In the case of certain bathroom accessories and a metal holder for dispensing paper towels in shops and factories, certain firms, which formerly made these articles, have recently been able to obtain sufficient metal from scrap or surplus stocks to enable them to start once more to manufacture. In at least two instances brought to the attention of The Post, these firms applied to Ottawa and in due course were given a permit to start manufacture. When competitors heard these lines were once more on the market they raised a rumpus to know if the ban had been removed and, if so, why hadn't they been notified.

**Two Ways Out**

What Ottawa officials are now wrestling with is the best way of handling such situations which are going to occur increasingly now.

Two possible methods of approach are understood to be under consideration:

1. A permit system which will be available to all or any manufacturer who finds he can obtain the necessary metal and wants to start again to manufacture.

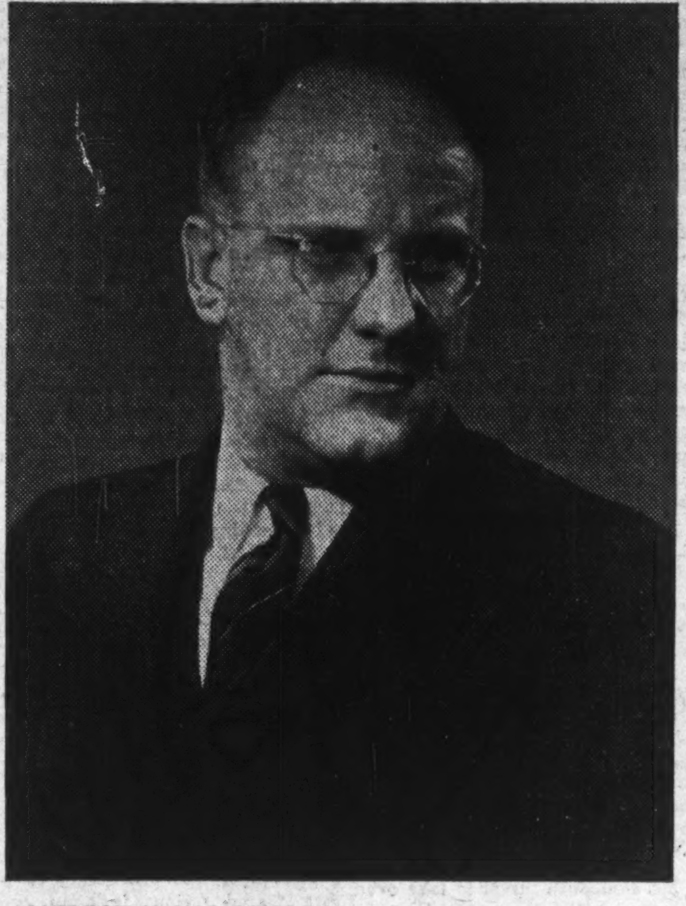
2. A general overhaul of the administrator's order (A-579), which covers these banned items, with a view possibly to removing some items entirely from the ban and setting out conditions under which

(Continued on page 2, col. 4)

## *Food Industries Coming Nov. 13*

A feature of the Nov. 13 issue of The Financial Post will be a special report on the food industries of Canada. Emphasis will be on the investment aspects of the industry with brief reviews of all major companies in which there is public investment interest.

With the whole problem of food supply so influenced by wartime developments and so altered in the past three years, investors can count on The Post to pay attention to the probable effect of such changes on their holdings. In addition problems of supply, of the food retailer, wholesaler and processor will be given careful study.



ADVERTISERS' CHOICE FOR '44

Ray L. Sperber, new president of the Association of Canadian Advertisers, has been described as a man with "a keen merchandising mind and immense capacity for work.". As such he looks a logical choice to head the group whose business, by printed word, picture and radio, is to sell the products of Canadian industry and whose collective eye is strongly fixed, therefore, on the postwar world and its possibilities. Tall, husky and friendly-faced, Ray Sperber began his advertising career with the Thompson-Koch Co., Cincinnati. From there in 1935 he went to his present firm, Sterling Products Ltd., Windsor, as advertising manager where, seven years later, he became sales manager and a vice-president. His present office with the Association of Canadian Advertisers is not his first. Formerly a director of the organization, he served as its vice-president in the year just completed.

## Soft Wheat Flour Lack Affects Biscuit Trade

### George Weston and Others Experiment With Hard Wheat Flour as Substitute — Resulting Product is Brittle and Breaks in Handling

Canadians who feel they cannot get along without biscuits are going to find them few and far between this winter, unless the manufacturers are successful in developing a satisfactory substitute for soft wheat flour.

Soft wheat flour is essential to biscuit manufacture under existing formulae. While there is plenty of hard wheat available, soft wheat supplies are considerably shorter than a year ago and increasing difficulties are being experienced by the biscuit companies in getting it.

Operations in both Montreal and Toronto are being affected. Biscuit supplies are short in relation to demand, and some manufacturers have actually had to close down their plants temporarily until new flour supplies came in.

**Experiment With Wheat**

At present George Weston Ltd. is experimenting with a hard wheat flour in the manufacture of biscuits. It has a number of drawbacks. Principal one is that the resultant product is not of the same quality, is too brittle, and much breakage occurs in handling and transportation.

Manufacturers are inclined nevertheless to feel they will have to do the best they can with the hard wheat flour, as there is little prospect of securing adequate quantities of soft wheat flour.

**Supply Strictly Limited**

For weeks past the manufacturers have been scouring the market with little success. In some quarters it is claimed a sizable amount of soft wheat is still in the hands of Ontario farmers, being held off the market in hope of higher prices.

A small quantity of soft wheat also comes from Alberta, but recent inquiries in that market indicate no supplies available.

Prospect of importing soft wheat from the United States is not promising, unless the Government lifts the ban on imports. So far Ottawa has indicated no change in present regulations.

## *Waldie New Head Imperial Bank*

R. S. Waldie has been elected president of the Imperial Bank of Canada, succeeding A. E. Phipps who becomes chairman of the board. H. T. Jaffray, general manager, becomes general manager and vice-president. Colonel J. F. Michie continues as vice-president.

## New Bacon Deal Still Criticised

### Cabinet Lifts Domestic Trade Slaughter Restrictions in Face of Protests at Meat Board

By STAFF WRITER

OTTAWA.—Cabinet action on the hog contract to Great Britain continues to be a cause of unfavorable discussion. There was quick denial here this week of the claim being made by Hon. T. L. Kennedy, Ontario Minister of Agriculture, that Britain no longer wanted Canadian bacon. Mr. Kennedy was reported as having stated that he had learned from Mr. Gardiner that the British no longer wanted as much Canadian bacon. As a result he urged opening of the U. S. market for Canadian hogs so as to get a better price for Canadian farmers.

The real facts, as claimed by certain quarters here, are that the British made representations for continuation of Canadian hog supply and that both Mr. Gardiner and Mr. Ilsley were prepared to grant a subsidy to encourage such production. Instead the Cabinet, in an action which at least one official has described as a "disgrace," turned down not only all subsidy proposals but removed as well the restrictions on the slaughtering of hogs for the domestic market.

What this is taken to mean is that Britain may not now get even the nine million pounds of bacon per week which is the minimum undertaking under the new two-year contract. On the contrary, while Britain may have to reduce her bacon ration from four to possibly three ounces, there is expected to be a considerable increase in pork products into Canadian butcher shops and kitchens.

**Cabinet Balks**

It is understood that proposals made to the Government by the Department of Agriculture called for a 3-cent per pound subsidy on hogs to offset recent higher prices for grain. At 1943 rate of production, eight million hogs a year, this might have cost over $35 millions. Cabinet balked at such a high subsidy and the matter was thrown back to the Food Requirements Committee for study.

Out of this committee came various alternatives:

1. A subsidy of one cent per lb. estimated to produce about 400 to 450 million lb. of bacon for U. K. (Compared to the present contract of 675 million lb.)

2. A subsidy of two cents a pound to produce between 500 and 550 million lb.

3. A subsidy of three cents a pound to get perhaps 500 million lb.

All these proposals were predicated on the assumption that restrictions on domestic slaughterings, as contained in Meat Board Order No. 1, would be continued. It was also pointed out by the committee that payments of subsidies along these lines would inevitably lead to further payments to other meat producers.

Apparently Cabinet, on receiving these proposals, decided to have nothing to do with them. Antagonism is said to have stemmed largely from the fact that from all across the country members of parliament and Cabinet Ministers have been receiving protests against the licensing and control of hog marketings

## Ottawa is Sceptical Free Trade Feeler

### Says Empire Preference Reduction Should be Accompanied by a Cut in Tariff Levels of Other Lands; Free Trade Must be Multilateral

By KENNETH R. WILSON

OTTAWA. — The Canada-U. S. free trade kite, which rose in the sky from nearby Seigniory Club last week, is treated here as little more than "pie-in-the-sky" stuff and quite out of line with present realities.

No one in Ottawa is willing to commit us officially—apart from the Prime Minister's 4-point plan of last week—but the situation on the trade treaty front, while still pretty nebulous, seems now to point toward agreement among Empire and possibly even Washington administrative circles on at least two important points:

1. That reduction of the present margin of Empire preference must be accompanied by a reduction of the general tariff level in countries, such as the U. S., which are outside the preferential area.

2. That any trade convention looking toward freer trade in the future must be multilateral and not bilateral.

(This might still leave scope for Canada and U. S. to discuss certain specific items of interest within the general framework. But it implies a trade pact instrument much more embracing than a Canada-U. S. "customs union" or even the present U. S. Trade Agreements Act which is only useful for bilateral negotiation between individual nations and the U. S.).

**Toward Freer Postwar Trade**

So far, it is believed that discussion on these points has been only at the expert level. But there is evidence that these are the principles basic in the informal discussions, which have taken place within recent months.

Presumably it is these principles which have been under discussion recently at Washington where high U. K. personages have been deliberating on currency and other matters.

In light of the momentous events at Moscow rapid progress might now possibly be made along these lines and in the near future some declaration of trade principles looking toward freer postwar trade and embodying the above formula may be brought into the open.

So far as the Seigniory Club declarations are concerned, what happened was that two prominent United States businessmen both came out flatly in favor of free trade between the two countries. Henry Harriman, chairman of the Board, New England Power Association, threw out the suggestion for free trade between the two nations. Later, and quite independently, at the annual dinner, John Hennelly, executive director, Committee for Economic Development, stated in a nationally broadcast address, "I am a firm believer in complete freedom of trade between our two nations and I look forward eagerly to the day of its consummation."

**Speaks for the West**

A milder view was expressed by a Canadian M.P., J. Gray Turgeon, who declared at one of the discussion groups, "While speaking of tariffs, I must say that we in western Canada, particularly in B. C., realize more and more that we need a north and south traffic in order to bring about a properly balanced economy."

What is pointed out here as completely unrealistic about Canada-U. S. free trade talk is that such a program is based on a misconception of Canada's present attitude in international affairs.

The one point which all Canadian Government spokesmen are stressing in talks with other nations about trade, currency and other related matters, is that Canada's primary concern today is for an "orderly" world rather than an extension of "customs unions" or regional ar-

(Continued on page 2, col. 3)

## B. C. Wants Fair Share Merchant Ship Control

From Our Own Correspondent

VANCOUVER.—West coast interests are agitating for a greater measure of control here of Canadian shipping operations. It is pointed out that British Columbia shipyards have built more steel cargo ships in wartime than any other section of Canada. The coast, moreover, has contributed much of the executive talent required for the shipbuilding and ship operating program, yet authority over the merchant fleet is centred in Montreal.

Not only does Wartime Merchant Shipping, Ltd., headed by Vancouver's H. R. MacMillan, maintain its head office in Montreal, but Park Steamship Co., the Government corporation controlling the merchant fleet after being commissioned, also has its headquarters there.

When a wage dispute arose in Vancouver among crews of certain Park steamships and resulted in a brief strike, the Vancouver News-Herald blamed the situation on "the evils of controlling Vancouver's shipping from Montreal."

The News-Herald maintains that while it might have been necessary earlier in the war to direct Canada's shipping "in conformity with the needs of the strategic situation," eastern control of west coast shipping has proved unwise, unfair and possibly disastrous."

**Not To Be Overlooked**

Vancouver shipping interests are keenly desirous that they are not overlooked in the postwar period when, as seems logical, a large proportion of Canada's overseas commerce will flow through west coast ports, as it used to do.

Shipping stringency on all trade routes and the long distance between the north Pacific and Europe have tended in the last few years to reduce the tonnage in operation out of British Columbia ports, but that is regarded as a purely temporary situation.

When that time comes the west coast will not wish to be denied the share of authority that its volume of commerce and strategic position suggest.

## Living Bonus Takes Spurt

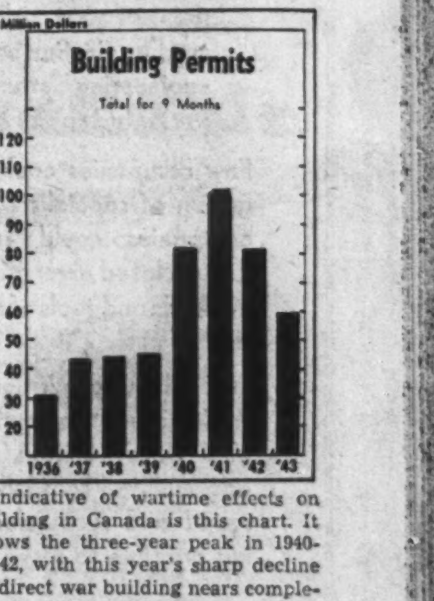
By STAFF WRITER

OTTAWA.—Canada's wage bill will rise by an estimated $45 millions a year to the added burden of the Nov. 15 cost-of-living bonus. Government officials estimate that for each one point rise in the cost-of-living index, the nation's wage bill goes up by $32 millions a year. This is because the majority of daily workers are now entitled to a 25-cent per week bonus every time the living index rises by one point.

Adjustments are made quarterly and a new adjustment becomes due and payable Nov. 15 on the basis of the standing of the official index at Oct. 1. The last previous adjustment was made on the standing of the index at July 1, 1942. Since then there has been no full point rise in the index in any one quarter.

In July, 1942, the index stood at 117.9. The new figure for Oct. 1, 1943, announced this week is 119.3. This means that the index had risen 1.4 points since the last previous adjustment. Translated in terms of cost-of-living bonus, this means 35 cents per week for each worker entitled to the full bonus or an estimated addition to Canada's wage bill of $45 millions. It is expected that in all probability the implementation of the McTague Report will eliminate the present cost-of-living bonus calculation and that existing wage bonuses will be absorbed into wages and rates, with no further quarterly adjustments.

## Pace of Business




Indicative of wartime effects on building in Canada is this chart. It shows the three-year peak in 1940-41-42, with this year's sharp decline as direct war building nears completion and controls largely limit civilian building to essential housing. Even the 1941 peak of $102 millions for nine months, however, was substantially exceeded in each of the years 1926-1930 inclusive. In September this year new construction was 74.8% of total value of permits; new residential construction 58.6%.

Complete business statistics are on page 7.

New York Notes

# Fear Dispute With Britain

## *But Want Close U. K.—U. S. Ties After the War*

By RONALD A. McEACHERN
Editor, The Financial Post

NEW YORK.—My notes, after a week of talk with a wide variety of businessmen here, include the following:

There is very widespread and deep-rooted fear of serious disputes with Britain—this despite the fact that every New Yorker visited protests the importance of Britain and the United States sticking tightly together in the postwar world. New York business is, generally speaking, the heart of U. S. anti-isolationist sentiment.

In the race for postwar world trade, in the struggle for international air routes, New York businessmen I talked with saw grave possibility of conflict.

• • •

The belief of many Americans that Canada and Britain are more or less unanimous in the hope that Roosevelt will be re-elected is causing both Canadians and Britons trouble here—and is likely to cause more.

Premier King's much advertised friendship with President Roosevelt, and recent statements by Britons, including Mr. Churchill, are being widely interpreted or misinterpreted as outside interference in American affairs.

With antipathy toward Roosevelt in some quarters at a degree of violence scarcely imaginable to an outsider, even due esteem for FDR as the symbol of the state and as the commander-in-chief of the U. S. forces is in some quarters misunderstood and held against us.

A Herald Tribune political observer, travelling the U. S. Middle West, said last week the supposed preference of Canadians and Britons for FDR is likely to be a boomerang for both. He said:

"Whether or not Mr. Roosevelt's re-election would be preferred in England, there is evidence that the British are not counting on it too heavily . . . Republican leaders in Midwestern States report that they have been deluged recently by British consular representatives for private conferences and for invitations to speak at Republican gatherings."

The writer quoted one Midwest Republican as saying:

"Since the congressional election last year, Republicans here have been openly courted by a new British consul who was rushed to a nearby city soon after the votes were counted and the Republican sweep became evident."

• • •

Despite opinion polls, informed opinion here is that Wendel Willkie will get the Republican nomination.

As one very close observer told me:

"Willkie is getting a great deal of strength in good parts of the country, but the Tories and ultra-Conservatives are wondering who they are going to be able to vote for if he gets the nomination. They represent the main block of anti-Willkie sentiment in the Republican party and include a good many in New York business. But Willkie is gaining ground even here."

• • •

Expect to see Willkie move his office soon. He is still down on Broad Street next door to J. P. Morgan's place. He is still operating from his law office. Politically, an uptown office would be more convenient and "the bare-foot boy from Wall Street" epithet would be less likely to make its re-appearance.

• • •

Nearly everybody in the financial business asked for a report on CCF progress, provincially and federally.

"If those birds really mean what they say and if they have a ghost of a chance, then I don't think I like Canada nearly so well," one financial man said.

Among men who have watched the political life more closely, I got several comments to this effect: That under FDR and the New Deal, United States went through a spasm of revolutionary character, that it has now settled down to a form of modified free enterprise. While pointing out that such currents usually hit the United States first and Canada some time later on, these men were both amused and disturbed that our "revolutionary spasm" should threaten to come under such form and such personnel.

"Most of us think of you Canadians as having your feet very firm on the ground—especially in politics. Perhaps we are wrong.

(Continued on page 2, col. 4)

MEN'S SHOP

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**Volume of trading** on the Montreal Stock Exchange and Montreal Curb Market again was higher during October with 395,096 industrial shares traded. This compares with 362,422 shares in the previous month and 202,197 shares in October last year.

**Mersey Paper Co.** announces that Thomas M. Batchford of Liverpool, N.S., has been elected to the board of directors. Mr. Batchford joined the company in 1928 as accountant and in 1931 was appointed secretary and comptroller.


Management Engineering

Management Engineering is nothing less than a business clinic.

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# The War and Business

***Exchange Not Closed***

Glib reference to the "closing of the Winnipeg Grain Exchange" is incorrect. All that has been done is to suspend the future market in wheat. Rye trading is still going on and so would be trading in other coarse grains if they were not already at the ceiling level. Close observers of the grain trade, moreover, are not a bit too sure that even the suspension of future's trading in wheat is more than temporary. As one of these observers told The Financial Post recently, "when the time comes for the price of wheat to go down again, the Government may be only too glad to have the grain exchange to blame it on."

* * *

***Prairie Plywood***

Plywood and laminated wood hold possibilities for those areas in Canada, like the prairie provinces, where big timber is scarce. Recent developments at Ottawa and elsewhere, it is understood, indicate that surprising strength and length can be attained by building up timbers from plywood strips of relatively small size. In the northern parts of the prairie provinces there are large areas of small size poplar and birch which, it is suggested, might be turned into serviceable lumber by this means.

* * *

***New Production Index***

Complete revision of the Federal Reserve Board index of industrial production has been undertaken and first results have been published for September and preceding months. A similar revision was undertaken by the Dominion Bureau of Statistics late in 1942.

The new method reveals the wartime expansion in physical volume of production has been much more than the unrevised indices indicated. The U. S. index, which had stood at something over 200 (base, 1935-39=100) now exceeds 240.

The revision in the U. S. index has resulted mainly in use of new and improved data, inclusion of 20 new series (subdivision of the groups or broad classifications of industry, from which the final index is made), changes in method of estimating monthly production for instance, from consumption to man-hours in the rubber industry), and alterations in some previously unsatisfactory series.

In the compilation of such an index both groups and series are weighted to assign them their proper effect on the final result. The revision necessitated changes in the weighting of many of the series, but group weightings have not been touched. Principal groups to be affected are the chemical, transportation equipment and machinery groups, with important changes being made also in the rubber, non-ferrous metals and petroleum groups.

It appears that variations in the U. S. among the 16 broad classifications of manufacturing were too slight to affect their relative positions in the economy to any great extent. Hence the weights for these groups have not been changed. In the Canadian revision considerable readjustment between classifications was undertaken, although these classifications are in many cases not so comprehensive as those in the U. S. index and, therefore, are subject to more variation in relative importance.

# Fear Dispute With Britain

(Continued from page 1)

Perhaps we are wrong about FDR too. Perhaps he has given us so many changes and threatened so many changes that we've got most of the political nonsense out of our systems for a decade or two."

* * *

Mr. Godbout's threat to take over Montreal Light, Heat & Power was brought up everywhere. Was he really serious? Did Godbout really think, in view of politics, that he and subsequent Quebec governments could run the company as efficiently and give honest-to-goodness better service at better prices?

* * *

Here are the musings of a top executive in one large financial institution here.

"Where is Mr. Godbout going to get the money to take over Montreal Light? Likely, he'll want to come down here for some of it at least. Whatever I may think of his proposition, why the hell should we help him out. We're not that hard up for investments. Why should we help kill a business?"

* * *

Only a very, very few stock market operators are acting as if they feared serious inflation and were trying to prepare by common stock purchases. Such is the concensus of several financial houses.

Common stock operations are almost entirely by professionals. Institutions are lowering grades slightly on bonds (because of lack of enough of others available) and are taking on some preferreds.

* * *

Germany out of the war by spring seems to be widely accepted as gospel on Wall Street.

One highly placed individualist says Japan will be out of the war first: that she will back down just before Germany folds in the hope of getting a less unfavorable deal.

* * *

There are very general reports here that some American corporations are eyeing Canada carefully with a view to buying a good going concern in the Dominion.

There are wide-spread rumors here about two Canadian companies in which control is said recently to have passed into other hands— one to Belgian, one to American. The Post has been checking both reports, so far without confirmation, so I don't name the concerns mentioned by rumor.

* * *

In trying to pin down these reports indicating rather wide-spread U. S. interest in Canadian companies, I found only one specific case. Here, after extensive surveys and some negotiations, the deal was dropped on the grounds that tariff and Empire preference uncertainties had become too great.

* * *

Rankling many financial men here, is the City of Montreal default in October. One man said Montreal City Bonds are much more widely held here than Montreal Light securities; that the reason for the city default was very poor; that Montreal's performance had hurt all Canadian securities.

* * *

"The Lonergan case should do Canadians a lot of good down here," one New Yorker said to me. "We always regard Canadians as always having a very much holier-than-thou attitude toward Americans. We always think of you as being a pretty pious bunch, that we are the only bad behavers on this continent. This Lonergan case sort of makes us feel that we are closer kin."

# Ottawa Cold To Free Trade

(Continued from page 1)

rangements. This is why Canada is placing tremendous emphasis on the importance of multilateral arrangements as opposed to bilateral agreements between individual pairs of countries.

A free trade "customs union" between Canada and the United States is, therefore, a misconception of what Canada has been aiming to achieve in whatever deliberations we have engaged in. This is the essence of the second of the two points and on which members of Commonwealth nations, at least, are understood now to have generally accepted as sound.

The first point—reduction of the present margin of preference only if accompanied by a reduction of the general tariff level in countries outside the preferential area—requires some elaboration.

Behind this agreement, in principle, is the fact that the United States considers Empire preferences as a trade "discrimination" and has so indicated or implied in Article 7 of her individual lend-lease arrangements.

What Empire countries are now saying is that these margins of preference among Empire countries can be altered, but they can only be lowered if there is a reduction in the general tariff rates against which the preferential rates apply.

If there were a general tariff of, say, 30% between Canada and the U. S., and if the Empire tariff rate on the same commodity were 15%, this would mean agreement would be reached, in principle, that the 15% "spread" would only be reduced if the U. S. cut its general tariff. Just what the proportions of adjustment would be might vary in individual cases, but the general principle is understood to be the primary item of agreement as between Empire countries.

What it is hoped has been accomplished in recent months is some agreement or understanding, especially with the U. S., that this principle be accepted. What view Congress will take is another matter, but it is hoped that the experts and administrative officers will reach agreement that this principle is sound.

DIRECTOR

Hugh A. Mackenzie, vice-president and general manager of John Labatt Ltd., London, who has been made a director of the Gore District Mutual Fire Insurance Co. Mr. Mackenzie in 1942 became chief of the Division of Simplified Practice of the WPTB, Ottawa. He is a son of Prof. Michael A. Mackenzie of the University of Toronto.

# Ease Control On 600 Items

(Continued from page 1)

exceptions to the general rule can be made.

It is pointed out that while the permit system seems to discriminate against the manufacturer who does not know that his competitor has got one jump ahead of him, it would be difficult, if not impossible, to notify every manufacturer every time a permit is granted. Once it is generally known, however, that permits were being granted where supplies of metal were now available, it would put each firm on its toes to seek out new sources of supply.

One of the most difficult problems, and one which Ottawa is having to face almost every week, is where a manufacturer has, say 90% of the available critical materials, but lacks a few hundred pounds of castings or some item which is still in short supply. In such cases Ottawa will not likely give any consideration under the new policy, unless the manufacturer possesses or can obtain release, of all the necessary critical materials, or unless the item in question is clearly of an essential nature.

It is pointed out that in the United States where similar bans have been in effect for some time, while there is no "permit" system, the same result has been obtained right along by means of appeals against the restriction order. In Great Britain there has never been any prohibition on the manufacture of "luxury" or civilian goods so long as a manufacturer was able to obtain either the manpower or the materials. This is one possible solution for the Canadian problem, although there will be more disposition in the future, as in the past, to conform to the U. S. plan.

**Province of Alberta** has defaulted on its third issue of bonds maturing this year. The issue is of 4½% bonds in the amount of about $3 millions, payable Nov. 1. As usual, interest will be paid at half the original rates. The present default was on bonds issued in 1913. Other issues due this year were $3.5 millions due April 1 and $2 millions due July 1.

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# ACA Grants Year Awards

Highest honor in the Association of Canadian Advertisers 1943 annual awards for distinguished service to advertising went to J. E. Sampson, president of Sampson-Matthews Ltd., Toronto. He received the gold medal.

The silver medal in the advertiser division was awarded H. H. Rimmer, advertising manager of Canadian General Electric Co. Ltd., Toronto. In the agency division, Morgan Eastman, vice-president of McConnell, Eastman & Co. Limited received the silver medal, while in the media division this went to William Wallace, advertising manager of the Toronto Daily Star.

An innovation this year was the decision to expand the award list, and thus for the first time five "Citations of Merit" were awarded in addition to the usual four medals.

The five "Citations of Merit" follow:

G. Douglas Scott, advertising manager, E. B. Eddy Co. Ltd.; James Allard, public relations director of CJCA, Edmonton; W. F. Harrison, liaison officer in Ottawa for the advertising agencies of Canada; James R. Mitchell, city advertising department, T. Eaton Co. Ltd. and A. B. Stapleton, art director for Rolph, Clark, Stone Ltd.

**Canada Bud Breweries** stock has been removed from the unlisted department of the Montreal Curb Market at the request of the company.

## Classified Advertisements

**Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.**

A CHEMIST AND CHEMICAL ENGINEER

Both positions are permanent. The company is well-established, fast-growing and technically-minded. The work is with war products, with excellent peace-time prospects. Our staff are aware of this advertisement. Do not apply unless your services are available under regulations P.C. 246 III (January 19, 1943), administered by the War-time Bureau of Technical Personnel.

Box 16, The Financial Post, Toronto.


**NOTICE TO HOLDERS OF**

**Egyptian Government**

**4% Unified and 3½% Preference Sterling Bonds**

Holders of bonds of the above-named loans which are deposited outside Egypt are notified that, under the terms of a prospectus dated 23rd October, 1943, issued in Cairo, the Royal Egyptian Government have made available a loan denominated in Egyptian Currency, to which loan the bonds may be lodged as subscriptions on the terms of the prospectus. The prospectus requires that bonds should be lodged in Cairo or in London, but arrangements have been made whereby bonds held in Canada may be lodged at the Montreal Branch of the Bank of Montreal, where full particulars of the offer and lodgment forms may be obtained shortly. The offer will remain open up to 31st December, 1943, in the case of 4% Unified Loan and up to 15th January, 1944, in the case of 3½% Preference Loan.

November 2nd, 1943.

VICTORY

Victory's price is high—in money, as well as courage. Enormous sums must be raised for ships, planes, tanks, guns, bombs, shells and bullets. Have a share in the victory by *saving* to—buy Victory Bonds and War Savings Certificates and Stamps—pay the necessarily heavy income taxes—keep up your life insurance and provide for your future independence. Such a programme of determined, systematic saving is part of the price of VICTORY.

**BANK OF MONTREAL**

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service . . . *the Outcome of 125 Years' Successful Operation*

A 134


# Third List Big Loan Buyers Is Announced

*The following list of large individual subscriptions to the Fifth Victory Loan is furnished by the National War Finance Committee and includes only subscriptions of $500,000 and over announced up to press time.*

| | | | |
|---|---|---|---|
| Can. National Railways | $18,031,950 | Loblaw Groceterias | 1,000,000 |
| Great-West Life | 12,000,000 | K. C. Irving | 1,000,000 |
| Manufacturers Life | 8,000,000 | B. C. Sugar | 1,000,000 |
| Confederation Life | 6,500,000 | Ogilvie Flour | 1,000,000 |
| Imperial Life | 6,000,000 | Canadian Canners | 825,000 |
| Prov. of Ontario | 5,000,000 | Alberta Wheat Pool | 800,000 |
| Noranda Mines | 4,475,000 | Lake of Woods Milling | 750,000 |
| Abitibi Power | 4,000,000 | David Spencer Ltd. | 750,000 |
| Steel Company | 4,000,000 | Supertest Petroleum | 750,000 |
| Massey-Harris Co. | 4,000,000 | B. C. Packers Ltd. | 750,000 |
| Ontario Paper Co. | 3,500,000 | Henry Birks & Sons and Birks-Ellis-Ryrie | 700,000 |
| Prov. of British Columbia | 3,250,000 | City of Vancouver | 700,000 |
| Dominion Life | 3,000,000 | Continental Insurance* | 675,000 |
| Canadian Industries | 3,000,000 | Metropolitan Stores | 655,000 |
| Crown Life | 2,500,000 | Toronto Elevators | 650,000 |
| Excelsior Life | 2,000,000 | Knights of Columbus | 600,000 |
| Fraser Companies | 2,000,000 | Crane Ltd. | 600,000 |
| Nova Scotia | 2,000,000 | B. C. Teachers' Pension | 575,000 |
| Hollinger Consol. | 1,565,000 | McLennan, McFeely & Prior | 575,000 |
| Canada Cement | 1,500,000 | Brown Corp. | 500,000 |
| Toronto Sinking fund | 1,500,000 | RCA Victor Co. | 500,000 |
| Winnipeg Electric | 1,500,000 | Standard Brands | 500,000 |
| B. C. Telephone | 1,250,000 | Toronto Star | 500,000 |
| Howard Smith Paper | 1,250,000 | Que. Workmen's Comp. | 500,000 |
| Price Brothers | 1,250,000 | Howe Sound Co. | 500,000 |
| Royal Trust Co. | 1,115,000 | Canadian Import Co. | 500,000 |
| John Labatt Ltd. | 1,100,000 | Hamilton Bridge | 500,000 |
| Canada Steamship | 1,020,000 | Home Insurance Co. | 500,000 |
| Continental Can | 1,000,000 | City of Edmonton | 500,000 |
| Upper Lakes & St. Lawrence Transportation | 1,000,000 | | |
| Chrysler Corp. | 1,000,000 | | |
| Waterloo Trust | 1,000,000 | | |
| Lever Bros. Ltd. | 1,000,000 | | |
| Dominion Tar | 1,000,000 | | |

*Group includes: Continental Insurance Co.; Fidelity-Phenix Fire Insurance; Niagara Fire Insurance Co.; First American Fire Insurance Co.; Fidelity & Casualty Co.


**BOWATERS NEWFOUNDLAND PULP AND PAPER MILLS LTD.**

**CORNER BROOK, NEWFOUNDLAND**

**Have facilities for ship repair work above water, including engine repairs.**

**Well equipped machine shop, iron and bronze castings supplied.**

## Keep Close Behind Him ... All the Way!

AMONG the sailors, soldiers, and airmen now at grips with the enemy is someone *you* know . . . perhaps someone very dear—perhaps just "the boy who lived down the street."

Your heart is with him, no doubt. He needs more than that! His power to speed the victory—his very life, in fact—depends on the things that only the money of the people at home can supply.

Unless you and people like you are behind him with an abundance of everything he needs, his valour cannot prevail. Long and heavy fighting is ahead of him. His need of you will increase rather than diminish. *Now* is the time for *your* greatest effort as well as his.

That is why you should now determine to buy more bonds in this 5th Victory Loan than ever before seemed possible. Do not abandon him in the crucial hour—keep close behind him *all* the way.

THE MANUFACTURERS LIFE INSURANCE COMPANY

*Established 1887*

SPEED THE VICTORY

Buy VICTORY BONDS

# Business Does Some Stocktaking

## *Leaders Discuss Their Position in a Hoped-for Postwar World*

By KENNETH R. WILSON

Next to winning the war, no one disputes that the Number One concern of businessmen in this country is: how to win the peace.

That looked a tough enough job before last summer. But it's clear from what happened at an important annual business conclave at the Seigniory Club last week that there is now an added worry on business shoulders: whether or not so-called "private enterprise" is, to use the Duke Ellington phrase, "Going to get around much any more." Whether the old carefree plans of private enterprise are going to be worth very much in Canada in a year or two, and what can or should be done to halt the swing of the Canadian political pendulum toward a measure of socialism.

It is probably true that most of the business leaders who attended the 16th annual meeting of the Canadian Chamber of Commerce last week have put a lot of their money on John Bracken and the Progressive Conservative party, in the hope of him winning the next federal election. It is probably true also, that many of them are none too confident that Mr. Bracken can turn the trick; that they fear at best a stalemate parliament; at worst a C.C.F. victory.

**Underlying Concern**

This was a clear implication of much that happened at the Seigniory Club last week. Though the meeting was nominally called to discuss three topics: agriculture, postwar reconstruction and labor-management relations, it was clear that the underlying concern was about the future of enterprise itself, with repeated emphasis either on the political dangers that lie ahead or the steps that can or should be taken to head off a "blackout" of free corporate enterprise in Canada.

(It was very notable that visiting speakers and businessmen from the United States voiced no such fear this year. On the contrary, they seemed quietly confident that private enterprise in the U. S. was pretty certain to be given a postwar green light by its government, and that all that was necessary was that business be prepared to use intelligently the opportunity that would be handed to it.

Of course this meeting of business men was strictly "non-political" in the old-fashioned sense. Yet the five Liberal politicians who were on the program because of official positions in Parliament or the Cabinet, made no bones about "enterprise" being on the spot. They praised business for what it had done in the war; indicated that they themselves were all "for" private enterprise, but took the opportunity to warn "Big Business" to put its house in order for the future. The spectre of recent C.C.F. gains at the polls hung heavy in the atmosphere. To quote J. Gray Turgeon, M.P., chairman of the House of Commons Committee on Reconstruction:

"Free enterprise is at stake. I am for free enterprise and I imagine that, in theory at least, every man in this hall believes in free enterprise or capitalism.

"The great majority of Canadians are not socialists, but they are not going to take any chance of suffering what was their lot a few years back during the depression. Therefore businessmen and governments and all those who want free enterprise to live and to prosper for the sake of the community itself must definitely decide that every measure essential to continued industrial and agricultural activity will be ready for application the very moment the incentive of war is gone.

**Explain Position**

"Businessmen should tell us in what condition they expect to be at the end of the war in respect of financial reserves for the conversion of industry from war to peacetime use. Industry and government should know what length of time it will take to convert each large manufacturing concern when war's demands are stilled. And government must be positively ready to employ men and women in works that will bring about national or community development during the period of necessary industrial activity.

"Industry should be prepared to tell labor and the government and the public generally that it will heartily endorse any governmental action designed to give labor its proper place in the industrial life of the nation."

One immediate danger which business must guard against was voiced by Hon. Norman Lambert, chairman of the Senate Committee on Economic Re-establishment. Mr. Lambert referred to the prospect of general elections both in Canada and the United States as having "already begun to divert the public mind from the serious practical job of finishing the war properly, and of preparing thoroughly to deal with problems of reconstruction." Senator Lambert urged businessmen to constitute themselves "the guardian of the public weal where obviously incorrect or misleading statements bearing upon the business and industrial interests of the country are made, regardless of the source from which such statements may emanate."

**Critical of Co-ordination**

Senator Lambert was clearly critical of his own government for lack of co-ordination on the postwar front. He emphasized that time had now become a vital element and that "nowhere is an early practical co-ordination of effort more needed than in our own Dominion."

Thus far, he noted, "we are all in the position of trying to solve a jig-saw puzzle without a comprehensive model to follow; and with far too many of its component parts, not only absent from the table but without definite shape or design." He spoke of the need for continuing into the postwar period "the basis of co-operation between private enterprise and the state" and warned that in his view business should prepare for an annual postwar federal budget of not less than $2 billions.

"Business as a whole in this country wants to look forward to an early reduction in taxation as a means of enabling it to meet peacetime demands effectively. That objective has been expressed and its ultimate realization desired in many quarters during the past year.

"But we must be realistic and face facts.

"At the rate of Canada's participation in this war, we shall soon be confronted with a national debt at least 10 or 12 times as large as it was in 1939. The carrying charge of that debt, added to ordinary costs of government, added to costs of maintaining a defense equipment in army, navy and air forces, added further to the cost of certain measures of social welfare which must be undertaken, presents us with the certain prospect of an annual federal budget of over $2 billions."

(This is not perhaps the place to quarrel with Senator Lambert. But for purposes of the record it should be pointed out that a 10 or 12-fold increase in our national debt could only take place at present rate of expenditure, if the war were to last another eight or ten years. Our net federal debt at the beginning of the war was something over $3 billions; has now risen to about $9 billions and is rising currently at about $3 billions a year. It indicates that our debt is unlikely to show more than a five-fold increase before 1945.)

**Plain Speaking**

Some very plain speaking on private enterprise, and the challenge to business now clearly emerging, came from Philip S. Fisher, vice-president and managing director, Southam Co. of Montreal. Said Mr. Fisher:

"I think one of the basic misunderstandings about business is a concept some people have of business with a capital 'B' as some sort of an organization under a central control which can plan and do things as a unit. I don't know whether it's our fault that they think of business this way or whether it's just an accident, but it gets us into trouble and we should do something about it. . . . ."

**Business is a Process**

"We all know that business is not that kind of an animal. Business is a process, not a person. Business is someone or a group of people, multiplied many times over, using capital and effort to produce something or some service which they hope to sell at a profit. Business is like a mighty river flowing to the sea, which in its passage, waters and fertilizes the territory through which it flows.

"Unfortunately, in dry weather the river tends to dry up; in wet, it tends to overflow its banks. In one of its reaches it behaves itself — in another it runs wild. Controls are needed; this is our problem. Can the river control itself? Should it accept blame for the vagaries of climate which affect it so greatly?

"I suggest that business should expect to perform the general functions of production, but that there are swings in community circumstances beyond the power of business to control and that the broad regulations of community activity is a function of government. . . . .

"The job of business is in the main to produce and the job of government is in the main to regulate. The depression of the 1930's was primarily the result of a breakdown in international and in national regulation. It was essentially a failure of government. The fact that individual business through individual mistakes, made the total situation worse did not shift the fundamental responsibility.

**Gear Task to Ability**

"I don't mention this as crying over spilt milk, but to make clear that business should not assume, and that neither the public nor the government should impose on it, responsibility which from its nature it cannot fulfill.

"Business left to itself cannot reconvert the country from a war to a peacetime basis, and for the long range picture, business, reacting to the swings of human enthusiasms, will not by itself eliminate the trade cycle. There is a clear-cut imperative that business and government should collaborate, each recognizing without reproach the limitations of the other.

"The bulk of business is decent and honest and useful to the community; but let us admit that these adjectives cannot be applied to all business. There are individual items of poor business practice which tend to bring all business into disrepute. We should do our damnedest to reduce them."

"Business profits must be made but they must not be bought at the price of dishonesty or disregard of the public interest. Business owes proper collaboration with the government and a regard for the public interest. It owes due consideration to the suppliers of its raw materials and the purchasers of its products; and it owes an active interest in its employees in terms of work conditions and of social security. If business will tell its story and if it will accept these briefly stated obligations as part of its post-war planning it need not fear for the future."

There was also some encouragement for business leaders in the contribution of Hugh Mackenzie, vice-president and general manager of John Labatt, Ltd., London. Mr. Mackenzie took it upon himself to find out what is in the minds of labor leaders on political and "management" questions. Here are his six questions and the answers which are summarized in his own words. The replies were received from six leaders, representative of the major groups of organized labor in Canada.

**Question:** What do you believe to be the real reason for labor's increased interest in politics?

**Answer:** Labor's increased interest in politics is due to the failure of the old political parties and business to meet their wants in the past and to give proper recognition to them as a group and as individuals.

**Question:** Do you anticipate that, after war output has ended, the numerical strength of unions will be maintained? How?

**Answer:** They feel that the numerical strength of unions will decline temporarily. They have no clear-cut plans for maintaining or increasing their membership, apparently feeling that the organizers can work it out in the local unions.

**Question:** Maintaining present or higher wage levels, what steps can Canada take to meet the competition, at home and in export markets, from disorganized European and Asiatic labor in the postwar period?

**Answer:** They do not recognize nor give much thought to the possibility of low cost labor competition in Europe and Asia but do feel that there will be some form of control exercised other than tariffs, such control to be exercised by the United States, Great Britain and Russia.

**Question:** Do you believe one alternative is that of opening the country and encouraging immigration? In any case, what is your general attitude toward immigration?

**Answer:** They are, generally speaking, on the fence regarding immigration. They are inclined to be against an unrestricted inflow but they would be willing to accept some if it could be proved to them to be in their interest.

**Question:** Of the various types of economic system now discussed, which of these, in your opinion, comes closest to labor's idea of the postwar social order?

(a) Complete private enterprise.
(b) Self-revised private enterprise.
(c) Government-regulated capitalism.
(d) Socialism.

**Answer**—They have not yet gone overboard for socialism. Government-regulated capitalism comes closest to their idea (but I believe they would accept self-revised private enterprise if private enterprise made an honest and real effort to meet their wants).

**Question:** From what direction is the initiative to come in determining postwar policies: To provide employment; to regulate the conversion of industry to peacetime needs; to set up the new Canadian standard of living?

**Answer:** They had not given much study to this question and certainly have not definitely decided to turn everything over to the Government.

**Not Too Late Yet**

On the basis of the replies which he has received, Mr. Mackenzie thinks it is "by no means too late for business to develop a program which will have the effect of convincing labor that it has a better chance of attaining its desires under private enterprise than under state socialism." He draws the following conclusions:

"This analysis of labor's point of view suggests no commitment as yet to any alternative to private enterprise; that labor is still willing to listen to business but that any proposals put forward to them must be on the level and further, that if business is to seize the opportunity of getting together with labor it must get away from generalities and get down to practical actions which will prove its intentions.

"The fact that labor has not yet been sold completely by any political promises indicates that no party platform has as yet even faintly indicated the details which must be worked out if the bogey of unemployment and the consequent reduction in the standard of living is to be minimized. This gives business its opportunity.

"If the counsels of timidity prevail within business or if business makes up its mind to remain aloof, then the combination of politicians and labor will eventually wreck any chance that labor has for increasing the standard of living. Individual business did not prosper by refusal to recognize obsolescence. If a product became unsaleable, the successful businessman faced the problem realistically and there I think is exactly where we stand today."

There was a lot more said about private enterprise, postwar needs and opportunities, and about labor-management relations especially. What was unsaid, but very apparent to an observer, was that business leaders such as those who gathered at the Seigniory Club last week are unprepared collectively to face the sort of situation which has emerged clearly on a nation-wide plane, following the election results of last August.

**PAINT EXECUTIVE**

Selwyn Irwin, who has been appointed vice-president and managing director of McArthur, Irwin, Ltd., Montreal. Mr. Irwin joined the company in 1929 and prior to his present appointment was sales manager.

*Would you ask your family to fly with an inexperienced pilot?*

You wouldn't. But maybe without thinking, you would entrust their future security to an inexperienced executor.

The Crown Trust Company is thoroughly experienced in the business of managing and settling estates and looking after the needs and wishes of the beneficiaries. May we tell you more about this helpful service?

*Let us serve you and your family as Executor and Trustee.*

**Crown Trust Company**

EXECUTORS :: TRUSTEES :: FINANCIAL AGENTS

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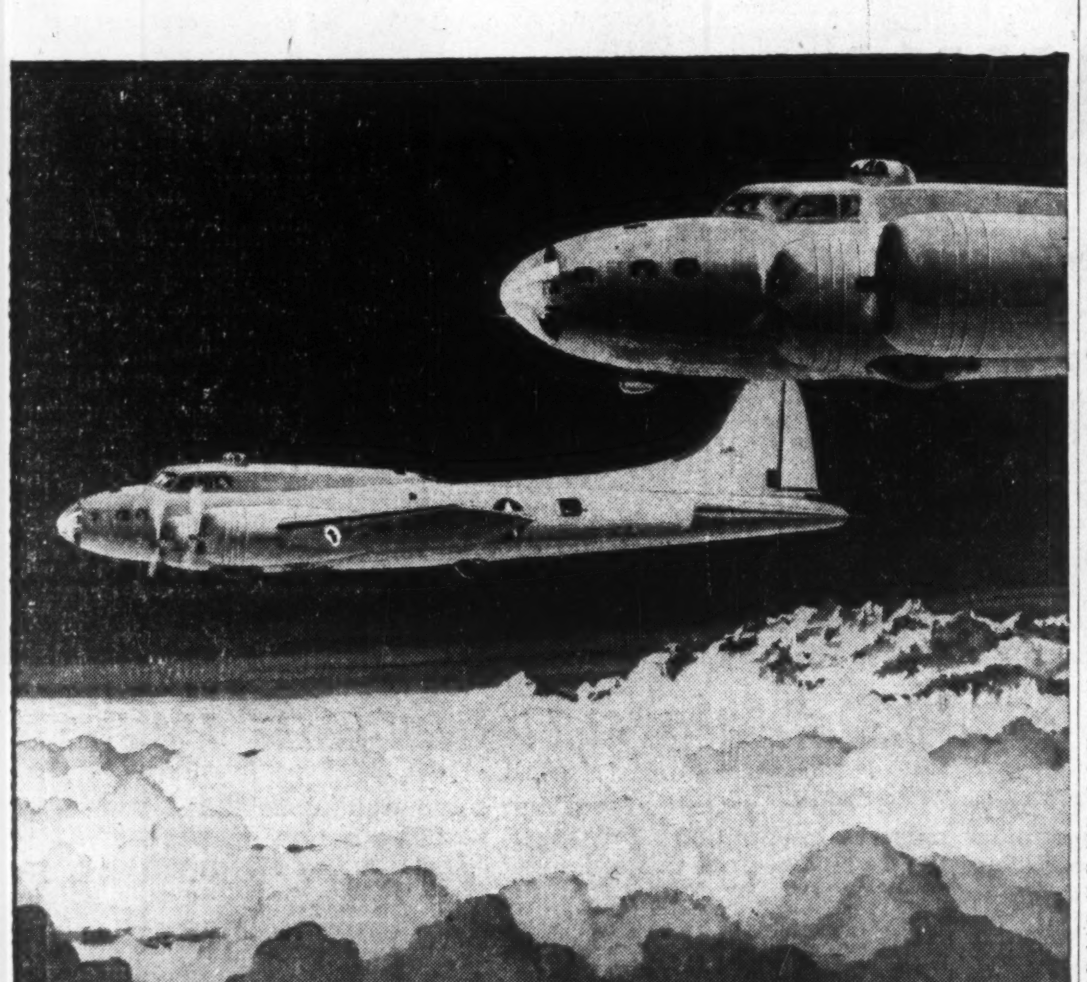
**RED DEER BRAND**

BIRCH and HARD MAPLE FLOORING

"This name has long been associated with High Grade Hardwood Flooring and Northern Hardwoods; Spruce and Hemlock."

The MUSKOKA WOOD MFG. CO., Limited
HUNTSVILLE - ONTARIO



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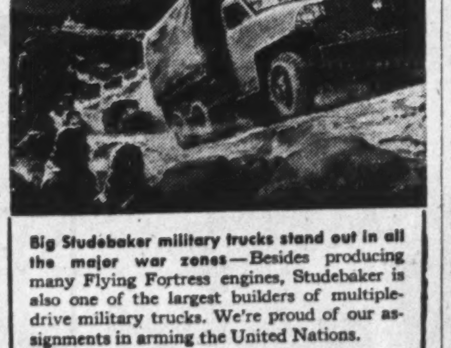
**More and more Flying Fortresses are powered by Studebaker-built Cyclone engines**

Clear-eyed, clean-hearted young crusaders are up there in those Flying Fortresses—writing new chapters of a free world's destiny. Many of them were carefree school boys only yesterday. Today, they're pouring cringing fear into the souls of once boastful "supermen." To these gallant youngsters—and to their expert crews below that keep them flying—we of Studebaker pledge ourselves to go on producing more and still more of the mighty Wright Cyclone engines for these devastating Boeing bombers. We'll "give more than we promise" in the best Studebaker tradition. Meanwhile, civilian needs must and will wait . . . until Studebaker completes this wartime assignment . . . until the finer Studebaker motor cars and motor trucks of the brighter days of Victory can be built.

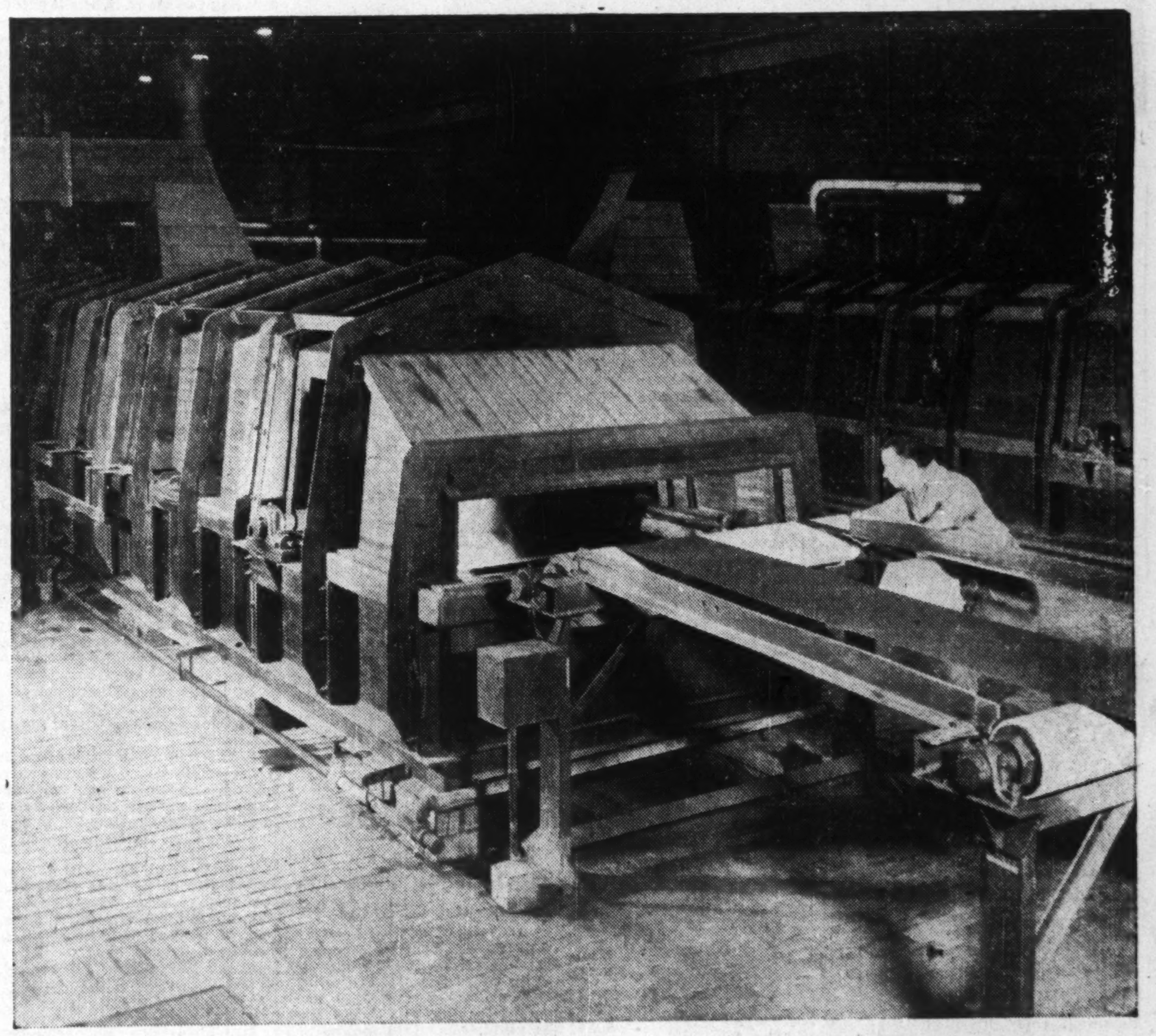
BUY WAR SAVINGS STAMPS

The Studebaker Corporation of Canada, Ltd.
Windsor, Ontario



Big Studebaker military trucks stand out in all the major war zones—Besides producing many Flying Fortress engines, Studebaker is also one of the largest builders of multiple-drive military trucks. We're proud of our assignments in arming the United Nations.

Studebaker BUILDS WRIGHT CYCLONE ENGINES FOR THE BOEING Flying Fortress



**Koroseal tank linings—available for essential installations**

*Koroseal is a typical example of B. F. Goodrich development*

THE tank in the picture is one of six handling nitric and hydrofluoric acid at 150° F. in a continuous operation pickling stainless steel. In such installations tanks of heavy timbers often lasted only 5 to 7 months; with elaborate care and frequent repairs could sometimes be used for two years. These steel tanks have linings of Koroseal, brick sheathed. After almost three years a recent inspection showed not the slightest damage, no deterioration of the Koroseal — they are apparently as good as new. In these years of hard wartime use there has never been a single leak, nor a penny spent for repairs, nor a moment's delay caused by the tank.

Engineers familiar with this installation say no other lining could have stood up so well for so long, and that the Koroseal lining is good for years more.

Koroseal is still a restricted war material but is available for many essential industrial uses. If you have any problem in tanks or tank linings or other handling of acids or other corrosives, or any questions about them, write us. Koroseal can be compounded to meet many special acid conditions. And if you buy Koroseal-lined tanks they'll be engineered, made and installed by B. F. Goodrich engineers with more successful experience in tank linings than any other company can offer you. *The B. F. Goodrich Rubber Company of Canada Limited, Industrial Products Division, Kitchener, Ontario.*

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# Growing Subsidy Costs Behind Milling Change

## New Profit Control Measure for Flour Millers Involves Surrender of Refundable EPT by Export Mills

By STAFF WRITER

OTTAWA.—Two reasons are given here for the important new profit control measure under which Canadian flour milling companies will operate during 1943-44:

1. The Government's liability for subsidy to keep domestic bread prices at ceiling level has risen from a possible $6½ to $24 millions.

2. The old plan of drawback involving an audit of flour company books to distinguish between export and domestic business proved difficult to administer.

After consultation with leading milling companies a new drawback plan has been worked out whereby all milling companies will receive "accountable advances" from the Commodity Price Stabilization Corp. on the understanding that they refund at the end of the fiscal year "any subsidies which would have the effect of raising taxable profits above 116 2/3% of standard profits as defined in the Excess Profits Tax Act," that is: any subsidies contributing to profits taxable at the rate of 100%.

**Sacrifice Refundable Portion**

Under this arrangement the larger export mills will sacrifice the 20% refundable portion of their 100% EPT on any subsidies that would have contributed to profits in excess of 116 2/3% of standard profits. Mills which have not bettered their position during the war, that is, which are not in the 100% EPT bracket, will continue to enjoy full protection of a ceiling price on wheat ground for domestic sale and will not be affected by the new procedure.

One very important exception to this rule is to exclude from this arrangement (in special cases) the profits of companies not derived from flour—such as profits from investment income.

**Drawback Procedure**

The drawback or "accountable advance" procedure was developed a year ago under P. C. 9457 to permit milling companies to continue to produce flour for sale at ceiling prices in the domestic market even though they were not able to obtain wheat at prices "appropriate" to that ceiling.

It was arranged that payments should be made to millers equivalent to the differences between prevailing prices for wheat and the "appropriate" price on western wheat ground for domestic use. This "appropriate" price was 77⅜ cents per bushel for No. 1 Northern in store at Fort William.

Originally, the spread between market and "appropriate" prices was not great (approximately 13 cents a bushel). This was small in relation to over-all profits. The total potential liability of the Government a year ago was about $6½ millions annually on approximately 50 million bushels milled for home consumption.

**Subsidy Liability**

But the present spread is now approximately 48 cents a bushel or a possible maximum subsidy liability of $24 millions. Since this loomed very large in relation to profits and since there were very considerable difficulties in separating profits earned on domestic and on export business under the old arrangement, it was decided to approach the problem from a new angle and to apply a similar principle to that introduced originally in other subsidy arrangements, namely, a form of profit control which ensured that no company would be in receipt of subsidy and at the same time have such large over-all profits as would put it in the 100% EPT class and, therefore, subject to 20% refund after the war.

**Derived By Exports**

It was argued that these excess profits, apart from investment or other income not derived from flour sales, were derived largely through increased exports to Britain and were, therefore, being financed in part by Canada either through Mutual Aid or (in the past) through the billion-dollar gift.

Although a ceiling on flour prices within Canada implies a ceiling on wheat being milled for sale domestically, it was argued that it was difficult to justify the payment of drawback to mills in the 100% EPT bracket, even though such exports might be attributable to export business.

The present arrangement is subject to review before July 31, 1944. For large exporting flour companies it means in effect that there will in all likelihood be no further addition to their balance sheet assets in respect of refundable portion of EPT.

# November Dividends Hold to 1942 Level

## Relatively Few Changes Are Noted From Year Ago — International Power Pays $5 on Preferred Arrears

Preliminary estimates of The Financial Post place dividend payments for Nov., 1943, at just over $6.3 millions, or practically the same as for the like month last year.

Relatively few changes are reported. San Antonio Mines declared an extra of 3 cents a share, while Hayes Steel Products declared an initial of 50 cents a share on 90,000 shares outstanding. Privateer Mines cut the dividend to one cent compared with the last declaration of 2 cents a share.

Principal change this month is the declaration of a $5 dividend by International Power Co. on arrears. This involved a distribution of $400,000 and offsets last year's payment of $226,025 on arrears by International Metals. There were also one or two minor declines in payments by gold companies. However, on balance, payments this year are slightly ahead.

**Monthly Dividends**

| | 1943 | 1942 |
|---|---|---|
| January | $20,222,823 | $22,952,057 |
| February | 9,688,637 | 10,016,154 |
| March | 26,372,190 | 27,730,638 |
| April | 20,362,954 | 21,221,615 |
| May | 7,998,821 | 6,357,276 |
| June | 50,910,505 | 48,456,376 |
| July | 25,176,055 | 27,581,376 |
| August | 9,954,394 | 10,531,957 |
| September | 24,324,226 | 26,079,809 |
| October | 20,318,059 | 20,857,808 |
| November | 6,384,407 | 6,300,932 |
| Total | 221,713,071 | 228,085,998 |

| Company: | Rate | Date | Amount $ |
|---|---|---|---|
| Ang. Can. Tele., p. | .68¾q | 1 | 56,787 |
| Aluminum of Can., pf. | 1.25q | 1 | 187,500 |
| Atlas Steels | .15q | 1 | 25,032 |
| Do., 2nd pref. | 1.75q | 1 | 3,500 |
| Ault & Wiborg, p. | 1.37½qq | 1 | 6,182 |
| Blue Ribbon, pfd. | .62½q | 1 | 18,656 |
| B. C. Tele., 2nd pref. | 1.50q | 1 | 67,500 |
| Caldwell Linen, pfd. | .37q | 1 | 5,550 |
| Do., 2nd pref. | .20q | 1 | 5,000 |
| Calgary Power, pfd. | 1.50q | 1 | 88,500 |
| Canada Iron, pfd. | 3s | 15 | 116,334 |
| Can. Bronze | .37½q | 1 | 30,000 |
| Do., pref. | 1.25q | 1 | 9,375 |
| Chase, A. W., pfd. | .50q | 10 | 4,375 |
| Coast Breweries | .03q | 1 | 54,094 |
| Consumers Glass | .50q | 30 | 159,785 |
| Cosmos Imperial | .30q | 15 | 30,000 |
| Crown Cork | .50q | 15 | 50,000 |
| Distillers-Seag., pfd. | †1.25q | 1 | 189,216 |
| Dominion Bridge | .30q | 25 | 154,185 |
| Dominion Fabrics | .20 | 1 | 14,000 |
| Do., pref. | .75q | 1 | 6,750 |
| Do., 2nd pref. | .37½q | 1 | 7,500 |
| Dominion Tar, pfd. | 1.37½q | 1 | 69,231 |
| Dover Industries | .20 | 1 | 28,568 |
| Gen. Steel Wares, pfd. | 1.75q | 15 | 78,750 |
| Gordon & Belyea, A | 2 | 1 | 4,400 |
| Do., com. B | .40 | 1 | 370 |
| Granby Elastic, pfd. | .69q | 2 | 6,408 |
| Hayes Steel | ‡.50 | 12 | 45,000 |
| Inter. Metal, pf. A pf. | 1.50q | 1 | 67,807 |
| Inter. Power, pfd. | *5 | 30 | 400,000 |
| Inter. Util., pr. pfd. | †.87½q | 1 | 85,198 |
| Neon Prod. W. Can., p. | 1.50s | 1 | 5,023 |
| Ont. Silknit, pref. | 1 | 15 | 10,000 |
| Ontario Steel | .25q | 15 | 12,110 |
| Do., pref. | 1.75q | 15 | 6,304 |
| Penmans | .75q | 15 | 48,388 |
| Do., pref. | 1.50q | 1 | 16,125 |
| Quebec Power | .25q | 25 | 138,299 |
| Rolland Paper, c. | .15q | 15 | 9,000 |
| Saguenay Pwr., pd. | 1.37½q. | 1 | 68,750 |
| Shawinigan W. & P. | .22q | 25 | 479,215 |
| Sher.-Wms., c. | .15q | 1 | 30,000 |
| Simpsons, pref. | 1.62½q. | 1 | 182,812 |
| So. Can. Power, c. | .20q | 15 | 80,000 |
| St. Law. Flour | .35q | 1 | 12,600 |
| Do., pref. | 1.75q | 1 | 9,775 |
| Steel of Canada | .75q | 1 | 345,000 |
| Do., pref. | .75q | 1 | 194,889 |
| Tip Top Tailors Inc. p. | 1.65q | 15 | 4,950 |
| Toronto Elevators, c. | 1 | 12 | 52,313 |
| United Steel, pfd., A. | .75s | 1 | 17,068 |
| Westminster Paper | .25s | 2 | 11,94[illegible] |
| Weston, Geo., pref. | 1.25q | 1 | 21,87[illegible] |
| Wood, A. & J., pf. | 1.75q | 1 | 11,3[illegible] |
| Zellers | .20q | 1 | 25,00[illegible] |
| Do., pref. | .37½q | 1 | 11,250 |
| Total | | | 3,879,621 |

| Mining Companies | | | |
|---|---|---|---|
| Hollinger Cons. | .05 | 4 | 246,000 |
| Inter. Nickel, pfd. | 1.75q | 1 | 483,486 |
| Kirkland Lake | .02 | 4 | 106,533 |
| Leitch Gold | .02q | 15 | 57,000 |
| Privateer Mines | .01 | 10 | 24,540 |
| Proprietary Mines | .05 | 8 | 45,974 |
| San Antonio G. | .07+.03s | 5 | 231,666 |
| Sullivan Cons. | .02½ | 15 | 100,000 |
| Toburn Gold | .01 | 22 | 18,500 |
| Upper Can. Mines | .02½q | 27 | 74,075 |
| Total | | | 1,387,774 |
| **Oil Companies** | | | |
| Canadian Oil, c. | .25q | 15 | 35,941 |
| **Financial** | | | |
| Can. Bk. Commerce | 1.50q | 1 | 450,000 |
| Can. For. Invest., c. | 1.30 | 1 | 95,440 |
| Can. Investors | .10q | 1 | 10,000 |
| Can. Inv. Fd. sp. ord. | .04q | 1 | 98,933 |
| Corporate Inv. A. B. | .12s | 15 | 22,077 |
| Dominion Bank | 2q | 1 | 140,000 |
| Imperial Bank | 2q | 1 | 140,000 |
| London & West. Trust | 1 | 15 | 12,137 |
| Mtge. Corp. N. S. | 1.25q | 2 | 8,500 |
| Royal Trust | .80q | 1 | 80,000 |
| Sherbrooke Trust | 1.50q | 1 | 4,500 |
| United Corp. "A" | .37q | 15 | 19,484 |
| Total | | | 1,081,071 |
| Grand total | | | 6,384,407 |

q Quarterly. s Semi-annually. ‡ Initial. † N. Y. funds.

# Quebec Power Gross Higher

## Bigger Charges for 1943 Reduce Net Profits Before Income Taxes

From Our Own Correspondent

MONTREAL.—Quebec Power Co. reports gross income for the nine months ended Sept. 30, 1943, of $3.1 millions. This was $119,290 more than in the like period last year. Net profit, subject to income and excess profits taxes, on the other hand, amounted to $773,170, as against $819,784 the year before.

Decline in net profits for the current year is due principally to higher operating expenses and an increase in provision for depreciation from $225,000 to $357,500.

**Revenue and Expense Account**
Nine Months Ended Sept. 30

| | 1943 | 1942 |
|---|---|---|
| Gross revenue | $3,104,873 | $2,985,583 |
| Less: Oper., tax., exp. | 1,629,267 | 1,572,039 |
| Fixed charges | 364,935 | 368,760 |
| Depreciation | 337,500 | 225,000 |
| Net profit (subject to Inc. & Profits Tax.) | 773,171 | 819,784 |

# Twin City Transit's Earnings Are Doubled

First nine months of 1943 show profits for Twin City Rapid Transit nearly doubled, compared with the same period in 1942. Operating revenues showed an increase of about $2.8 millions, while operating expenses and taxes also showed substantial increases.

**Consolidated Income Statement**
Nine Months Ended Sept. 30

| | 1943 | 1942 |
|---|---|---|
| Oper. revenue | $10,810,928 | $8,053,986 |
| Less: Oper. exp. | 8,064,386 | 6,360,440 |
| Oper. income | 2,746,542 | 1,693,546 |
| Add: Non-oper. inc. | 25,533 | 13,808 |
| Gross income | 2,772,075 | 1,707,354 |
| Less: Debt. int. | 516,677 | 579,992 |
| Other | 46,815 | 55,045 |
| Fed. inc tax | 1,094,225 | 494,400 |
| Net income | 1,114,358 | 577,917 |

# Fear Alloys May Nose Out Aluminum

## Use of Light Metals, Drastic Cut in Plane Output to be Problem

By STAFF WRITER

OTTAWA.—Canada has reached a point where she must now give very serious thought to what is going to happen to her mining and metals industries after the war, George Bateman, Metals Controller, told the Parliamentary Committee on aluminum last week.

"With the completion of the war there is no program which will be cut as quickly as airplane production. So that at the end of the war we will have a tremendous aluminum capacity in Canada, about 12 times that of prewar capacity, which will not only have to try to find new outlets in competition with other metals and other materials, but will also have to face the competition of great tonnages of scrap.

"In about five days at present rate of production we could fill all the probable annual requirements for postwar airplane production."

Mr. Bateman referred to the various competitive materials which aluminum would have to face in the postwar world. He emphasized that the determining factor in each case was not the cost per pound of the primary metal or material, but the ultimate cost of the finished article.

"The cost of the raw material is a relatively minor part of your cost of finished product, so what you have to consider is the ultimate cost, and that includes the cost of aluminum and the cost of fabricating the aluminum and the cost of production in using these fabricated parts.

"This is a matter to which I have given a good deal of thought and regarding which I am very concerned because my business, my life, has been spent with the mining industry and I see a lot of trouble ahead of it.

"While these problems will apply with force to all of the primary, non-ferrous metals and minerals (aluminum, copper, lead, zinc and nickel), they will probably apply to a much greater extent to aluminum because of the fact that aluminum capacity has been expanded to a very much greater extent than that of any other metal. And that expansion also has been almost entirely to meet the needs of the airplane program.

**Age of Light Alloys**

"I am a firm believer that we are entering the age of light alloys. But under today's conditions of technological advances you have to revise your conception of what constitutes a light alloy.

"I expect aluminum to continue as one of our great Canadian industries. I expect to see it expand its pre-war markets. But I also believe that any great expansion above those pre-war markets is going to represent a very difficult time or condition and can only be attained at the expenditure of a great deal of money carried on over a period of a good many years."

# Stelco Output At High Level

## Operations Limited Only by Manpower Available, Says R. H. McMaster

From Our Own Correspondent

MONTREAL.—Steel making operations of the Steel Co. of Canada continue at a rate limited only by the available manpower, according to a statement sent to the shareholders by President Ross H. McMaster. Production in both primary and finishing departments has been restricted by the shortage of labor, rendered more acute by the steady enlistments. Lately, however, there are evidences of improving conditions in respect to labor supply, he reports.

For the nine months ended Sept. 30, consumption of steel for the company's own production, combined with semi-finished steel purchased, declined approximately 3% in comparison with the same period of 1942.

Operations at the plate mill are affected by curtailment of the shipbuilding program. Contraction of munitions production as it affects use of steel, it is hoped, will be absorbed largely by reduction of imports. The electric furnace continues to operate satisfactorily.

**Still in E.P.T. Class**

Mr. McMaster's statement continues:

"Due to increases in wage rate, also advancing costs of coal and ore (both the latter being subject to the premium on U. S. funds and war exchange tax) manufacturing costs have continued to mount. With selling prices unchanged in many cases from prewar figures, profit margins available necessarily continue to decrease. However, through the helpful effect of the unusually heavy production upon overhead cost, cumulative profits for the three-quarter year are in excess of those retainable under the existing tax legislation.

"Shell forgings operations at your subsidiary, Ontario Forgings Ltd., continue on a reduced schedule. It is anticipated that winter requirements of coal and ore will be delivered in full before the close of navigation.

"Owing to the shortage of manpower, certain repairs and maintenance expenditures have had to be deferred, for which a reserve will be set up."

**National Steel Car Corp.'s** new no par value shares have been called for trading on the Montreal Stock Exchange. Last August shareholders approved a by-law converting the 175,500 shares outstanding into 702,000 shares.

# Windsor After Company Taxes

## Ford and Hiram Walker-G. & W. Involved in Litigation

From Our Own Correspondent

WINDSOR—Windsor's first effort to tax corporation income derived from subsidiaries of three large corporations has precipitated litigation involving $31.9 millions in taxable assessment and taxes totalling $1.2 millions.

The taxes go back over 1941, 1942 and 1943 involving Ford Motor Co. of Canada, Hiram Walker-Gooderham Worts Ltd. and Subsidiaries Holding Co., all of Windsor.

Appeals were entered formally before the municipal court of revision on Oct. 26. By agreement between counsel for the appellants and the municipality no evidence was adduced. The court confirmed the assessments.

Counsel for the appellants indicated that the appeals would be carried to a higher court.

The municipal corporation's action to collect income tax from corporation revenue other than that upon which the corporation pays business tax is an outcome of a successful effort of Toronto in this direction.

However, under an agreement entered into between the Dominion Government and Ontario, the municipalities will quit the corporation income tax field this year. There has been no indication by either government, city officials state, that municipalities will be reimbursed for this loss in revenue.

Amounts at issue in the case of the three companies are:

**FORD MOTOR CO.**

| | Taxable Assessment | Tax |
|---|---|---|
| 1941 | $21,492 | $860 |
| 1942 | 890,364 | 35,615 |
| 1943 | 1,058,279 | 42,331 |
| Total | 1,970,135 | 78,806 |

**Hiram Walker**

| | Taxable Assessment | Tax |
|---|---|---|
| 1941 | $6,397,960 | $255,918 |
| 1942 | 5,552,725 | 222,109 |
| 1943 | 7,971,422 | 318,857 |
| | 19,922,107 | 796,884 |

**Subsidiaries Holding Co.**
(Hiram Walker-G. & W. Subsidiary)

| | Taxable Assessment | Tax |
|---|---|---|
| 1941 | $2,281,000 | $91,240 |
| 1942 | 3,271,000 | 130,840 |
| 1943 | 3,719,085 | 148,763 |
| | 9,271,085 | 370,843 |

# Power Corp. Group Shows Output Gain

Power Corp. of Canada and associated companies report a power output in September of 234.8 million kw.h. This contrasts with 219.5 million kw.h. for the same month last year, an increase of 6.96%. Comparative figures follow:

| | September 1943 | September 1942 |
|---|---|---|
| B. C. Power | 67,646,639 | 63,047,450 |
| Can. Nor. Power | 44,474,636 | 50,601,348 |
| East Kootenay | 11,011,664 | 9,475,660 |
| Northern B. C. | 1,861,818 | 1,807,000 |
| Southern Canada | 21,955,130 | 19,879,998 |
| Winnipeg Electric | 87,832,800 | 74,685,500 |
| Total kw.h. | 234,782,687 | 219,497,956 |

# *Belgian Group Buying Dosco?*

From Our Own Correspondent

MONTREAL—Reports that Belgian capital has been buying into Dominion Steel Coal Corp. lack confirmation although persistent. stock market trading over the past year would indicate nothing untoward, nor have there been reports of any large block of stock changing hands.

Mention is made that the same Belgian interests who bought into Canadian Vickers, through acquisition of the stock held by the Timmins and Richardson estates, are interested in Dosco.


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## Imperial Bank of Canada - Changes on Board

ROBERT S. WALDIE, *President* — ALBERT E. PHIPPS, *Chairman-of-the Board* — HARRY T. JAFFRAY, *Vice-President*

IMPERIAL BANK OF CANADA announces that Mr. A. E. Phipps has resigned the office of President, after fifty-two years of active service with the Bank, to become Chairman of the Board of Directors. Mr. Phipps was General Manager of the Bank from 1921 to 1937 and in the years 1928 and 1929, President of the Canadian Bankers' Association.

Mr. Robert S. Waldie has been chosen President. Mr. Waldie was elected to the Board of the Bank in 1919, and in 1931 became a Vice-President. He is also Vice-President of Confederation Life Association and of Canada Bread Company Limited; and a Director of General Accident Assurance Company of Canada; and Minnesota and Ontario Paper Company Limited.

Mr. Harry T. Jaffray, General Manager of the Bank, becomes a Vice-President. Mr. Jaffray has been General Manager of the Bank since 1937 and was President of the Canadian Bankers' Association for the years 1941 and 1942.


WHY 13,794 MORE

PAGES OF BUSINESS PAPER ADVERTISING WERE PLACED BY ADVERTISING AGENCIES LAST YEAR

BUSINESS papers in one recent month carried 29.84% more advertising than in the corresponding month in 1942, according to Industrial Marketing. Four hundred and sixty-four U. S. and Canadian advertising agencies reported business paper placements of 209,560 pages last year, compared to 195,766 pages in 1941, a gain of 7.05%.

*This trend is highly significant*

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Toronto Better Business Bureau Inc.


Utilities Taxation

# Tax Bills In Rate Skirmish

## *Electric Utilities Pay Estimated $30 Millions This Year*

By JOHN LANGDON

Highlighted by preliminary skirmishing on Quebec province plans to reduce electricity rates and possibly to expropriate Montreal Light, Heat & Power Consol., is the question of taxation on public utilities in Canada.

This is not a new problem in a country where both public and private ownership of electric utilities is widespread. It stems from the fact that, with minor exceptions, income of publicly-owned utilities is not subject to taxation while that of privately-owned companies is.

Standard of comparison invariably taken by those who desire to discuss the subject is Hydro-Electric Power Commission of Ontario, a publicly-owned enterprise serving practically all of the province with electric power through municipally-owned distribution systems. As it is publicly-owned, Ontario Hydro escapes Dominion—and provincial—income taxation.

**Behind Godbout's Hopes**

Premier Godbout makes no mystery of the fact that desire to utilize this tax-free position of a publicly-owned utility, not operated for profit, is responsible for the major share ($6.3 millions) of the gains he hopes to realize if and when the province takes over the Montreal Power. Through it he indicates lower rates to the consumer can be realized.

Halifax, where a move to take over Nova Scotia Light & Power has progressed beyond the preliminary talk stages, hopes to save the $1 million now paid by the company to Dominion taxing authorities.

Electrical utilities are a greater source of revenue than is realized generally. In 1941, the last year for which complete returns are available, the industry as a whole did $186 millions of business. Out of this $24 millions was turned over to the Federal, provincial and municipal governments for taxes. This was exclusive of another $42 millions collected by the Dominion Government from domestic consumers in the form of an 8% sales tax.

Electric utilities pay taxes at the same rates as do other industries. But the private companies claim that 20c. out of every dollar collected by the privately-owned utilities of Canada go to the governments in taxation, but less than 1½c. out of every dollar collected by publicly-owned systems is paid out in taxes.

**Now Vital Issue**

Back in 1935, the whole industry paid in taxes to all governments $7.5 millions.

The tax bill increased about a million dollars in each of the next four years and then, in 1940, jumped to $18.8 millions. In 1941 nearly $24 millions were paid, while preliminary figures indicate payments aggregated close to $30 millions last year.

Taking the 1941 returns, the Dominion Bureau of Statistics reports that Ottawa took $17.2 millions; the provincial governments, $2.6 millions and the municipal governments, a little under $4.2 millions.

Of the $17.2 millions paid to Ottawa, the privately-owned systems contributed $16.8 millions and the publicly-owned systems less than $400,000.

During the same year the dollar value of business reported by the private companies was $111.8 millions and that of the publicly-owned systems $74.2 millions. Had taxes been applied to both systems in relation to their dollar revenue, publicly-owned systems would have paid $14 millions more in taxes, nearly all of which would have gone to the Dominion.

If the user buys electricity from a private electric company, 20.4c. out of every dollar paid in 1941 was promptly passed along as taxes. On an annual average household electric bill of $21.33 in Quebec, the total tax was about $4.35. Of this $1.15 went to local governments for schools, roads, police, etc., and $3.20 to the Dominion.

Thus the electricity user in Quebec having an annual bill of $21.33, would actually have paid $16.98 for the electricity and $4.35 in taxes.

In Ontario, served by a municipally-owned system, the customer pays only a few cents in taxes on the electricity used, plus the 8% Federal tax.

Like comparisons could be made right across the country where the customer is served by private or publicly-owned systems.

**Dispute Profit Basis**

Relative tax freedom of the publicly-owned system's customers is based on the theory that a government-owned enterprise is not operated at a profit and, therefore, tax free.

This claim is disputed by the privately-owned electric companies. They take Ontario Hydro, as the largest and most successful of the publicly-owned systems, as their example.

Since the outbreak of war practically all the electrical utilities, and more especially those in Quebec and Ontario, have recorded heavy gains in gross revenues.

The privately-owned utilities in Quebec, it is pointed out, have been caught in the tax vise. Their net position, as measured by reserves and profits, has not improved. On the other hand, Hydro's allowance for reserves has practically doubled since 1939.

Last year the aggregate addition to reserves of Hydro, and of the electrical departments of the municipalities it serves, totalled over $30 millions. In 1939, the provision for reserves was just under $17 millions.

These reserves of Hydro amount to a large percentage of gross income and the private companies claim that if they were accorded similar treatment by the taxing authorities, their tax bill would be only a fraction of what it is today.

Argument advanced by advocates of public ownership that a direct saving of the amount of taxes paid the Dominion would be realized by customers of present privately-owned companies if these were taken over by governments, however, needs further analysis.

Take the case of Montreal Light, Heat & Power Consol.

Last year Montreal Power paid $8.3 millions in taxes. The year war broke out the tax bill was only $3.8 millions; in 1935 $2.6 millions and in 1930 less than $1.6 millions.

Of this $8.3 millions the company paid $1.14 millions in the form of municipal taxes, mostly to Montreal. If Quebec took over the company, Montreal, in a weakened financial position itself, might be reluctant to forego this revenue.

The company also paid $155,476 in taxes to the provincial government, as well as $647,664 in the form of rentals, royalties, storage charges, payments to the Public Service Board, etc. In all Quebec collected a little over $800,000 from the company last year. This was received directly.

In 1940 the company paid $1.1 millions to the province. This sum included corporation taxes, which the Dominion has since taken over, reimbursing the province with a similar sum.

What would be done to replace this revenue?

**Want Federal Share**

Aside from municipal and provincial taxes, Montreal Power paid $6.3 millions to the Federal Government last year.

But nearly $1 million of this sum represents the tax which in other years was paid directly to the province by the company. The net tax to the Dominion, therefore, is somewhere in the neighborhood of $5 millions, for Ottawa could hardly be expected to pay the equivalent of the corporation tax to Quebec if the province destroyed that source of tax revenue.

**All Pay Heavy Taxes**

Tax position of the other companies currently concerned with public ownership follows much the same pattern as that outlined in detail for Montreal Power.

Last year Nova Scotia Light & Power Co. had a gross income of a little over $4 millions. Federal and municipal taxes amounted to $1.1 million, or more than 25% of the gross income.

Consolidated accounts of B.C. Power Corp. for 1942 show a Federal tax bill of $4 millions, or 18.5% of the entire gross income. This figure, moreover, does not include tax or other payments to the province or municipalities.

Winnipeg Electric's tax story runs along the same lines: gross income $5.1 millions, taxes $840,255.

**Someone Must Pay**

Conversion of the private companies to public ownership does not relieve the customer from taxation, though it could alter the actual sharing of the tax burden.

The $30 millions or so now paid by private-owned electrical utilities to the various taxing authorities represents income which the government must have to maintain necessary services or to help pay for the war effort.

Most of this money goes to the Dominion, which, if deprived of this income, would likely have to impose some other form of tax to replace the lost revenue.

# Mont'l Tram. Case Opened

## J. P. Lanctot, K.C., Seeks Insolvency Ruling as Bonds Unpaid at Maturity

From Our Own Correspondent

MONTREAL—Legal action has been taken by J. P. Lanctot, K.C., holder of a $5,000 bond, to have Montreal Tramways Co. declared insolvent because of its failure to pay off the bonds at their maturity July 1, 1941. At the same time the Court is asked to set aside a judgment of the Superior Court approving a scheme of arrangement between the company and holders of almost $22 millions of bonds on which it had defaulted.

The company contended that the action was unfounded on purely legal grounds, but the motion was dismissed by the Court. In dismissing the inscription Mr. Justice Louis Cousineau said the Quebec Railway Act, under which the company was permitted by the late Chief Justice Greenshields to make an arrangement with the bondholders, has no definition of a railway company which would include Montreal Tramways Co. as such and justify it in proceeding under Quebec law.

In the present case, he added, as the issue between the parties is concerned with commerce and insolvency under the British North America Act such matters fall within the jurisdiction of the Parliament of Canada and should be judged according to the Railway Act of Canada.

Since the action was based on a claim that the company had defaulted to fulfill the terms of a trust deed and the trust deed was not produced in court, His Lordship ruled, the issues could only be decided at the trial of the case.

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**Hayes Steel Products** has declared an initial dividend of 50c. a share on its stock, payable Nov. 12 to shareholders of record Nov. 1.

The company at present is engaged almost exclusively in manufacturing war goods and at July 31, 1942, showed a working capital of $1.1 millions and a profit of $388,027. Since its capital reorganization in 1936 working capital and earned surplus have both increased steadily, and bonded indebtedness and preferred stock have both been retired. There are at present outstanding 90,000 shares of common stock. Earned surplus stood at $1 million at July 31, 1942.

The annual report for 1943 is expected shortly.


*Lend Now and send them crashing through to* **VICTORY!**

**BUY BONDS!**

**SPEED THE VICTORY**

Tanks and more tanks! That's the only talk the Nazis understand. So let them have it with both barrels. Buy 5th Victory Loan Bonds and speed the tanks ahead — driving to Victory. Every dollar counts. Every bond brings Victory that much nearer. Go all-out for Victory.

5TH VICTORY LOAN

**DOMINION METALWARE INDUSTRIES LIMITED TORONTO**


## *Brazilian Gross Up In September*

Increase in gross earnings of Brazilian Traction, Light & Power during September, 1943, to $4.5 millions ($3.9 millions) was only partially offset by greater operatting expenses of $2.1 millions ($1.8 millions), to leave earnings before depreciation and amortization of $2.4 millions ($2.1 millions).

Aggregate figures of operations from Jan. 1 show much the same results with net earnings, as calculated above, of $20.9 millions ($18.4 millions) from gross earnings of $38.4 millions ($34.6 millions). The company reports some of the rates for services are still temporary, pending determination of permanent rates.

(Note.—Figures in parentheses refer to corresponding periods in 1942.)

**STYLISH GLOVES**

Look for the ACME trademark when you buy — a guarantee of correct style and outstanding value.

ACME GLOVE WORKS LIMITED, MONTREAL


## EASTERN DAIRIES, LIMITED

## NOTICE

To the Holders of
EASTERN DAIRIES, LIMITED
6% 20-Year First Collateral Trust Sinking Fund Convertible Bonds, Series "A."

The Plan of Reorganization of Eastern Dairies, Limited, Acme-Farmers Dairy Limited, Elmhurst Dairy Limited, and The Producers Dairy Limited, dated May 15th, 1943, as modified August 24th, 1943, has been approved by the requisite majorities of the holders of all interested classes of securities.

The Plan provides **inter-alia** for the exchange of the above mentioned Bonds for an equal principal amount of First Mortgage Bonds, dated May 1st, 1943, of Dominion Dairies Limited. Interest on such First Mortgage Bonds of Dominion Dairies will be paid semi-annually at the rate of 6% per annum, in Canadian currency, from May 1st, 1943.

Under the terms of the Plan, as approved by the Extraordinary Resolution of Eastern Dairies bondholders, the interest payment falling due on November 1st, 1943, on the First Mortgage Bonds of Dominion Dairies will be paid as and when the exchange is effected. **Consequently, the interest payment falling due on November 1st, 1943, on Eastern Dairies Bonds will not be paid.**

Arrangements are being proceeded with as quickly as possible in order to effect this exchange, so that the said interest payment can be made with a minimum of delay. In order to facilitate the carrying out of the exchange, holders of Eastern Dairies Bonds are invited to advise the Company, at its Head Office, 7460 Upper Lachine Road, Montreal, Que., of their names, addresses, and the amount of their holdings.

DATED at Montreal, Que., October 27, 1943.

EASTERN DAIRIES, LIMITED
J. A. SMITH,
Secretary.

# Windsor Mayor Moves To Buy Wartime Houses

From Our Own Correspondent

WINDSOR, Ont.—Postwar disposition of Wartime Housing Ltd. dwellings has developed overnight into a full-fledged headache for the federal agency's executive heads and Mayor Arthur J. Reaume of Windsor is getting the blame for it.

But it is not the first time that the Windsor mayor has taken the lead in so far as Wartime Housing Ltd. is concerned. It was he, in 1941, when these houses were not available to families of men on active service, who broke into one of the houses and ensconced a family on more than the Government's doorstep.

Hon. C. D. Howe, Minister of Munitions & Supply, whose department watches over Wartime Housing Ltd., broke down in the face of reality on the following morning, and from then on families of men on active service, where the need was desperate, found shelter in the temporary dwellings.

Now the Windsor mayor has assured the tenants of Wartime Housing Ltd. here that he will support their move to seek permission to purchase the dwellings now and so establish themselves in permanent homes.

There are 2,050 such homes in Windsor. They can be converted into permanent dwellings in keeping with building regulations for about $750, the mayor estimates. He figures that would give the workers a home for approximately $3,000.

That he contends would be much superior to the housing commission days of 1921, when workmen were sold homes for $6,000 and $7,000, which they could never hope to pay.

But not everyone in Windsor thinks as does the mayor. Owners of more expensive homes, who find city-owned property nearby harboring the small temporary dwellings, live hopefully that the city will hold the agency to the agreement which commits Wartime Housing to the removal of the dwellings six months after the cessation of hostilities. The agreement still needs ratification by the Ontario Legislature.

Charles E. Purnell, Hamilton, president of the Canadian Association of Real Estate Boards, has written to Mayor Reaume to obtain his views on the subject and find out what he is trying to do.

Meanwhile, the tenants themselves are organizing in the hope that the Government will heed their petition. They point to the permanent gardens and lawns installed, the modern improvements affected by the handymen tenants. They contend that given assurance that they may purchase the homes, they would spend more money and more effort in improvements. Besides, they say they like the homes.

# CPR Reports September Gain

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway's operating income for September at $26.3 millions showed an increase of nearly $4.2 millions over the like period a year ago. Nearly all of the gain was absorbed in increased expenses, net earnings amounting to $3.8 millions, or $215,588 more than in September, 1942.

Cumulative returns for the first nine months of 1943 show a gross income of $216 millions, or about $29 millions greater than for the like period of the previous year. Only a small part of this gain is reflected in net earnings which amounted to over $32.7 millions, or $755,120 more than in 1942.

**C. P. R. Income Statement**

| | 1943 | 1942 |
|---|---|---|
| **September** | | |
| Gross Income | $26,289,433 | $22,113,749 |
| Work. expenses | 22,504,668 | 18,544,572 |
| Net earnings | 3,784,765 | 3,569,177 |
| **January-September** | | |
| Gross income | $216,019,306 | $187,126,616 |
| Work. expenses | 183,257,444 | 155,120,875 |
| Net earnings | 32,761,861 | 32,005,741 |

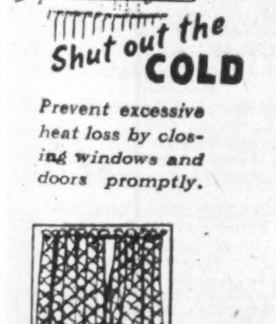
# Chesterville Reports Three Months' Loss

During the quarter ended Sept. 30, 1943, Chesterville Larder Lake Gold Mining Co. had a net loss, before taxes, of $13,516, bringing the total loss for the first 9 months of 1943 to $54,547. The mill handled 46,558 tons in the quarter and produced $222,034, an average of $4.77 per ton.

**Operating Statement 3 Mos. Ended Sept. 30**

| | 1943 $ |
|---|---|
| Revenue: Bullion sales | 222,034 |
| Investment income | 135 |
| | 222,169 |
| Less: Oper. expenses | 176,945 |
| Operating profit | 45,224 |
| Less: Write-offs & deprec. | 58,740 |
| Net loss before taxes | 13,516 |
| Tons of Ore Milled | 46,558 |
| Recovery per Ton | $4.77 |


# STOP COAL WASTE



**Shut out the COLD**

*Prevent excessive heat loss by closing windows and doors promptly.*

**BUDGET YOUR COAL PILE!**

Coal is the backbone of our entire war effort. Every ton is precious and is needed to help speed victory.

You can do your part to meet the emergency by budgeting your coal pile ... by practising the conservation methods outlined in the free booklet illustrated at the right.

*Fire your Furnace PROPERLY!*

*Study these*

*Shut in the HEAT!*

*Draw shades or drapes over windows all evening and night. Save up to 10% on your fuel this way.*

*Get your FREE copy from your local dealer. This booklet shows you how to avoid having a chilly home this winter.*

*Save one ton in five*

MS15W

THE DEPARTMENT OF MUNITIONS AND SUPPLY
HONOURABLE C. D. HOWE, Minister



**LEADERSHIP in circulation results directly from leadership in reader interest. It naturally follows that where reader interest is keen, your advertising gets a much keener reader-attention.**

*The Star gives you 102,786 more circulation than the second largest Toronto paper at the same rate. So when you judge the newspaper situation in Toronto and its 100-mile radius, "Canada's Golden Circle", purely on the basis of what you get for what you pay, there's only one answer: the Star gives you far greater value for your money.*

THE
# TORONTO DAILY STAR

takes your advertising into many more Canadian homes than any other daily paper—homes which have greater per capita purchasing power than the average for all Canada.

# The Editorial Page . .

## Let's Make it Permanent

Outstanding as is the example of international co-operation and fair dealing Canada and the United States have set in this war, there is a further step needed to assure that this excellent beginning shall continue permanently after the war. To hold these two neighbors together, the pattern of existing boards set up to achieve a unified war effort might be used.

This, at least, is the recommendation of Edward L. Bernays, Public Relations Counsellor from New York, as presented before the recent annual convention of the Association of Canadian Advertisers.

He urged immediate action to organize a "Permanent Joint Board for Mutual Understanding" by the United States and Canada. He claims this "is the mechanism by which the future good relations of the countries can be assured." He would have his board consist of equal numbers of men representing both countries; suggests one or two "elder statesmen," a social psychologist, a newspaper publisher or radio executive, an adult educator and one or two public relations or advertising men.

Such a board, he says, would aim at building "a knowledge and understanding by the people of each country of the history, the traditions of the other and of the economic, social, agricultural, industrial and political facts about the other." Its job would be educational and factual; not policy making or political. It would encourage exchange of students, visits of farm delegates; would learn what the people of one country think about the other and what preconceived notions and prejudices prevent complete understanding of each other's problems,

Whether or not his suggestion is adopted in detail, Mr. Bernays reaches a long way toward a permanent solution of the problem of better neighbors among the nations of the world. He recognizes this as a long-term job; one of education rather than of politics. He would continue, and make permanent use of, the type of joint action that has proved so effective—and so practicable—during wartime. The Bernays proposal merits most careful study.

## A 22-word Postwar Plan

As a most practical guide to all postwar planning, the various organizations, large and small, which have been wrestling with blueprints of the new world we are to have after the peace, might well ponder this brief note from one of Montgomery's British Tommies fighting in Italy. Describing his aims after demobilization he wrote to a friend in Scotland;

> "My job back, the missus and kids in a new house and back at the dart club at the old Mucky Duck."

There are only 22 words in that postwar plan, but they more adequately cover the subject than some of the voluminous reports already rolling off the presses. Even the famed Atlantic Charter hardly did as good a job.

Until our postwar plans are reduced to the same simple and direct language of that private soldier who has marched El Alamein to Naples, then there is little hope for any application. After all, as this soldier so clearly states, it is not some vague new world and idealism that the average man seeks, but simply, employment, a better home, and freedom to do as he pleases in his spare time.

## One of the Conditions

One of the conditions of a nation's ability to carry its public debt in the postwar years, without inflation, is continued confidence in the debt itself and in the currency in which it will be paid. An enduring foundation for this confidence, George W. Spinney, president of the Bank of Montreal, told members of the Investment Dealers Association of America at their New York meeting, is to ensure that the postwar years will give the lie to a philosophy of economic defeatism widespread today.

Mr. Spinney puts his finger on a problem which of late months has been engaging public attention more and more. Billions of dollars have been invested in Victory bonds and war savings certificates. Other savings in the form of cash and investment, arising out of wartime work, have increased tremendously. But what of these government securities and savings after the war? Can the country afford to carry the debt? Will our money be worth as much in the postwar period as it is today? Those are questions which many Canadians are asking.

Ability to carry debt without inflation will be a challenge after the war. There will be difficulties undoubtedly but, as Mr. Spinney points out, we should not shut our eyes to the tremendous opportunities for enterprise and initiative which the very task of reconstruction will present.

There is the need for more adequate housing, improved production methods, the new products which inventive genius will bring forth, changing forms of transport, and other fields of new and enlarged productivity. Then, too, there are the markets to be developed; markets which as yet have been scarcely touched by the products of modern invention.

There is no lack of markets or lack of opportunities which, if they are faced up to in the proper spirit, will enable this country to move forward into the postwar period with assurance of the soundness of our financial and economic structure.

## CCA's Fine Job

Capacity of the construction industry to undertake a postwar stabilization program of public works, housing and building, is assessed by the Canadian Construction Association in a brief prepared for the House of Commons Committee on Reconstruction. The Financial Post understands that the brief includes recommendations on organization and equipment, materials and labor, legislative and fiscal means.

Twenty-five years old this year and claiming membership of 600 of the largest general and subcontractors, manufacturers and suppliers of materials, the CCA has had an even closer association with government in wartime. Anticipating official curbs on inflation, the association was instrumental in the calling at Ottawa, February, 1941, of a wage policy conference of building trades labor and management; a wage policy was fixed for the duration and it was decided that wartime increases were justifiable only in so far as they represented cost-of-living increase.

The CCA has been complimented as a builder of friendly labor relations; is often given lion's share credit for construction's relative freedom from wartime labor troubles; has long been a leader in safety measures and apprentice training. The association wins plaudits, too, for a fine organizing job since World War I; is seen as having welded supply and field branches of the industry and brought these into closer relationship with architects, engineers and the consuming public.

In this war the speed, efficiency, economy with which Canadian contractors and their suppliers completed literally thousands of projects—airdromes, cantonments, factories, special engineering works—soon won the tribute "a magnificent job" from Munitions Minister Howe.

Mr. Howe reflected public as well as official opinon, nor did he overstate the case for it has been the biggest and smoothest program yet seen in this country. However, it is in large part completed and the CCA—through its reconstruction committee and National Construction Council membership—is planning another aggressive role for construction in the reconversion period.

## Now is the Time to Face it

Graveyard of too many proposed reforms for Canada has been our outdated and confused constitution. Sooner or later we must face revision or national development will come to a full stop.

Clarification of authority between the central and provincial governments is imperative. Public finance, social legislation, transportation, education and other problems are all involved.

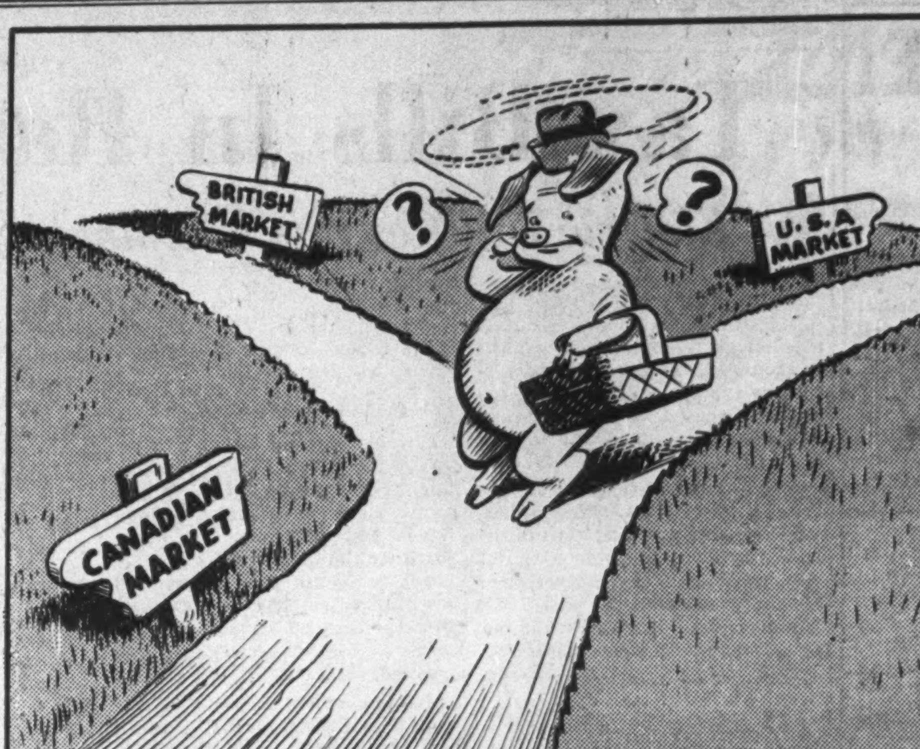
Implementation of the Rowell-Sirois Report and similar recommendations cannot proceed without a drastic overhauling of the constitution. The stop-gap measures taken by the Dominion authorities in regard to certain such major forms of taxation as the income and gasoline tax, will remain stop-gap until some major overhaul is undertaken.

The claim that interjection of constitutional issues now might interfere with national unity at the expense of the war effort is not valid.

Actually, the war has produced a unique degree of unity in Canada; has brought about co-operation between the provincial and central Governments. It provides us with a golden opportunity that may never occur again.

Reconversion to peace will be a gigantic national undertaking. Constitutionally handicapped as at present, we may find our hands tied so seriously that we can't do the job.

The time has come for an open and frank re-examination of our constitutional problem. This matter will not solve itself. Nothing is to be gained by keeping our head buried in the sand.




Cartoon by Grassick.

THIS LITTLE PIG GOES TO MARKET, BUT WHICH ONE?

# The Postwar World . . .

*In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.*

## Five Zones of Safety Proposed for North America

*Five "zones" of safety for the peace of the world and ultimately for that of the United States were proposed by Clarence Budington Kelland, Republican National Committeeman for Arizona at a recent Republican Party gathering in New York City. His points are digested herewith:*

The First Zone of Safety shall be to set up a trusteeship of Russia, Great Britain, the United States, the producing and effective nations, with China a full and equal member. These shall administer the territories, people and economy of our enemies, the bankrupt nations of the earth, and of other nations who shall find themselves in similar plight by reason of this war.

This trusteeship shall be indefinite in point of time. It will police the territories to prevent violence and riot. It will restore order and aid in the rehabilitation of the peoples of these nations by sustaining and making potent local governmental machinery. It will protect private property and the safety and civil rights of the populations. It will not hinder but will assist the several nations in the establishment of such kind of government as each shall select. It will conserve the assets of each nation in order that, at the proper hour, the nations, one by one, shall be released from the trusteeship as going concerns.

The Second Zone shall be erected as a deterrent against the emergence of any predatory nation or combination of nations among our late enemies. It shall be a concord among the victor nations, Great Britain, China, Russia, the United States of America for offensive or defensive joint action directed against any nation threatening to breach the peace.

In the event that the first or second shall fail or in event that dissension shall arise among the victor nations which cannot be composed, then the Third Zone of Safety shall be a permanent defensive alliance between the United States of America and Great Britain. This alliance shall provide that the two great democracies shall act as one in case of attack upon either by any nation or combination of nations. This alliance should be permanent and openly declared to the world.

The Fourth Zone looks specifically to the Western Hemisphere. It should be a concord, an entente among the nations of North America and the nations of South America — between Canada, the United States and Mexico on the north, and our sister republics of the southern continent. It should be a concord both military and economic. But its first and chief article must be that every nation from Terra del Fuego to the northernmost reaches of Canada will stand as one, contributing every resource against any invasion, against any attempt to make conquest of American soil. This is not a mere good neighbor policy. It is a policy of American solidarity against any non-American nation threatening the territorial integrity of any American nation, large or small.

As our Fifth and Final Zone of Safety we must possess, by friendly negotiation if we may, by occupation if we must, those points, those islands, those bases which will perfect the fortification of the United States. The islands of the Pacific in what number and in what location are essential to us, must become ours to have and to hold. The Pacific Ocean must become an American Lake, to see to it that no foe can have a jumping off point for treacherous attack. What we acquire we must fortify. We must create naval bases, flying fields, fortresses imposing in strength. Not to be held as threats against the peace of any nation, but as guarantees of the peace of our own nation.

We must not content ourselves with fortifying the Pacific. We must turn to the Atlantic, and there again, we must acquire by treaty or by occupation such islands, such territories as we deem necessary to our safety.

We must go far afield, Dakar and Casablanca on the bulge of Africa, are spearheads for the invasion of the Americas. They must be ours in permanence, ours to fortify and make strong.

We must have our own, permanent naval and air bases upon the island of Iceland, and upon the mainland of Greenland.

Let us in friendship and with generosity and equity of consideration endeavor to procure a cession of other territories to ourselves, or to our South American neighbors, or to the inhabitants of the territories as independent states, every foot of American soil now flying the flags of nations across the sea.

# Post-Scripts . . . .

## CC of C's New Head

Very few people know the new president of the Canadian Chamber of Commerce. But it would be harder to find a man who is more representative of "small town" Canadian business.

MR. DOBBIE

That, probably, is why the Chamber chose George A. Dobbie of Galt to carry the presidential burden in 1944. Years ago, Mr. Dobbie was president of his community Board of Trade. Aside from serving as president of the Canadian Woollen & Knit Goods Association, he has taken no part in the affairs of the national association; has stuck to his knitting as a solid citizen of Galt.

Though Mr. Dobbie admits no qualifications as a public speaker, it is thought that his "community" background, plus his ability as an organizer, will be of value in spreading the gospel of private initiative and enterprise against the rising tide of socialist propaganda.

Short, stocky and blunt of manner and speech, George Dobbie knows his own mind and doesn't hesitate to express it. He looks as if he might have made a name for himself as a middleweight boxer; instead, fishing and shooting are his favorite pastimes. For exercise he walks to work and to his various plants; prefers to be left alone to ruminate as he strides along.

He is a product of Lanark County, Ont. His father came there from Scotland; set up a stove and implement plant in the village of Lanark. When George was six, the family moved to Brockville where his father operated a thriving retail and wholesale hardware business.

In 1898, George Dobble enrolled at Queen's University with the idea of being a lawyer. He never even got as far as the registration desk, for a vacancy turned up in his father's business and he went to work as a salesman of carriage hardware and similar lines. He left this in 1906; bought the Victoria Wheel Works in Galt. In 1916 he sold that business and bought an interest in two other Galt enterprises which had been started years before by a Scotsman, Andrew Newland. Both of these companies were in the textile field—one making carriage robes and the other making knit goods for the trade. Today there are still only two shareholders in these businesses. These two enterprises —Stauffer-Dobbie and Newland & Co.— are one of the largest, if not the largest privately-owned textile units in Canada.

The original Newland business was started in 1884. Today it turns out chiefly knit goods for rubber footwear and the glove trade—linings, stockinettes, etc. The other no longer concentrates on the carriage robes which started it in business about the turn of the century, but produces tapestries, "Galt" towels, woven fabrics, etc. Together these plants employ 700-800 operators. They have continued as privately-owned companies since their inception. Dobbie is president of both of them.

Mr. Dobbie's trade and community activities are impressive. Ever since the last war he has been chairman of the local Red Cross committee. He has been a leading figure in a score of community enterprises ranging from soldiers' re-establishment in the last war, through the dark days of relief committees in the 'thirties, and his present perennial chairmanship of Galt's successful Victory Loan drives.

His interests have lapped over to the neighboring cities of Brantford and Waterloo. He is a director of the Slingsby textile mill and of the Cockshutt Plow Co. in Brantford and of Waterloo Trust and Dominion Life in Waterloo. Other directorates include: Royal Bank, British American Oil, Frost & Wood, United Corporations, Minnesota & Ontario Paper, Twin City Rapid Transit and Mercury Mills. He is president of Canadian Brass Co. of Galt, and of Gypsum, Lime and Alabastine Canada, Ltd. of Paris, Ont. As vice-president of Dominion Life he has travelled across Canada a number of times to accompany President Ford Kumpf on official inspection trips.

At 63, Mr. Dobbie has strong convictions about many things. His only boy is in the armed forces. He has a son-in-law in Italy. He wants both of them to come back to a better Canada than they left—but a Canada which will have reaffirmed the principle of "security for opportunity." He's hoping to help the Chamber strengthen that principle in 1944.

• • •

## Not Afraid of Change

Drastic overhauling of Ontario hospital facilities, was promised by Dr. Reginald Percy Vivian, Ontario's new Minister of Health, when he addressed the Ontario Hospital Association last week.

DR. VIVIAN

The move will be in keeping with Vivian's own career which although not long in point of time, also witnessed some wholesale overhauling. Seven years ago Dr. Vivian was settled down in Akron, Ohio, with a thriving general practice when, offered an opening in Port Hope, Ontario he wrenched himself free and came home.

This drastic move did not seriously disturb his medical career. The Port Hope practice likewise blossomed and included the post of physician to Trinity College School.

Dr. Vivian was born in Barrie, Ontario, a couple of years after the turn of the century, U. E. L. stock on his mother's side, Cornish on his father's. He comes by his present profession naturally, his father being a well-known physician who died as a result of diphtheria infection after working himself into near exhaustion during an epidemic.

After graduating from the University of Toronto young Vivian went to the Henry Ford Hospital in Detroit for his interneship then set up for himself in nearby Akron.

Dr. Vivian, youngest member of the Drew Cabinet in Ontario, believes that hospital facilities must be extended into areas which are not now served at all, that overcrowded institutions must be relieved by the provisions of care in other ways of incurable cases, and that one of the most objectionable features in the present system is the extent to which private and semi-private wards are carrying the financial load of public ward accommodation.

• • •

## Chief Wren

Hundreds of freshmen girls who entered University College, Toronto, around the '29's will at once remember Adelaide Macdonald (later Mrs. D. B. Sinclair) who assisted the Dean of Women, Mrs. M. M. Kirkwood, in welcoming and initiating them into college life. Today Adelaide Sinclair (Macdonald) is director of the one-year-old Women's Royal Canadian Naval Service numbering 4,000 young Canadian Wrens. For the trim young assistant dean—with upswept, greying hair—to change her college gown for the smart Navy uniform was not a difficult task.

COMM. SINCLAIR

Widow of the late Donald B. Sinclair, Commander Sinclair is daughter of Dr. and Mrs. Overton Macdonald, of Toronto. She enlisted in the Wrens in March, 1943, joining the service from WPTB at Ottawa where she was associated with the economics branch.

As Director of the Canadian Wrens she makes inspection tours of all Wren establishments from coast to coast and represents the WRCNS at inter-service functions, launches ships, gives radio talks and formulates policies. Commander Sinclair is the first Canadian director, succeeding Captain Dorothy Isherwood, who returned to England in September last. Equivalent rank in the United States is held by Lieutenant-Commander Mildred McAfee.

Mrs. Sinclair went from Havergal College to University of Toronto. Upon graduation she did specialist work at the London School of Economics in 1926-27, spent several summers on the continent and furthered her studies of economics at the University of Berlin. Between 1927-30 she lectured in economics at University of Toronto.

As vice-president of her year, she served also as president of the Women's Undergraduate Association and on the executives of several other groups. She captained the first intercollegiate girls' hockey team and is a member of Kappa Alpha Theta Fraternity.

Until her appointment to the WPTB which took her to Ottawa, Commander Sinclair had lived in Toronto. Before the war her chief hobbies were golf and gardening.

# Other People's Views . . . . . . .

## The Canadian Editorial of the Week

### When War Orders Taper Off

Ottawa Journal

With production of a single gun stopped, some 500 men at the Ottawa Aircraft plant find themselves without employment, and National Selective Service officials are trying to transfer them to other work.

This is an example of a problem that will be with this country increasingly during the coming year—or two years. The war is not yet over, but its end is getting nearer, with the inescapable consequences that from now on production of many war lines will either cease or diminish, leaving thousands who are now employed either without work or compelled to seek other work. Unless the situation thus created is met in some organized way, the position will almost certainly be serious.

Plants going out of war production will not be in a position to switch immediately to peace production; retooling, plus the securing of new markets, and especially of export markets, is not as simple as that. Obviously, therefore, there is going to be need for planning, for some sort of policy to organize, ration and spread out work so that dislocation will not be too violent. The task of National Selective Service will most certainly not end with peace.

There are people who talk about the war bringing the end of government controls. It is not sensible talk. For the approach of peace is going to bring its own problems, with many of them desperately complex; and to imagine that they can be left to haphazard chances or accidental circumstances is to imagine something that mocks all our professions about a more secure world.

• • •

## The Mail-box . .

### Make Farm Life More Attractive

Achievement is closely associated with environment. Where the environment and opportunities are conducive to wholesome living and thought, self improvement and increased effort will be the natural result.

Fully 50% of present farm homes, home life and surroundings are drab; cultural guidance and opportunities for self improvement in all phases are inadequate, which situation is a deterrent to a proper incentive, constructive thinking and action, with the result that farm youth drifts to other activities and urban centres.

Agriculture as the basic industry, well deserves more attention and consideration by governmental bodies, federal, provincial and municipal, not by subsidies, but through its departments of agriculture and extension departments giving leadership and guidance in all phases of farm improvement.

It is a responsibility of our governments, federal, provincial and municipal, to demonstrate what the average farm home, farm set up in livestock, grains and equipment can and should be.

Seeing is believing, and to that end assistance and supervision can be given to the maintaining of a model farm to be centrally located in each municipality, which, not elaborate in its set up and within the limits of average income, will be an example, an inspiration, an incentive, for progressive farmers and farm youth to respond to. Our present experimental farms are often too elaborate in their set up to accomplish this purpose.

Edmonton. A. B. LITKENHAUS.

• • •

### Property Not Sacred

Recently, under the heading "C.C.F. Policies Appraised," Bruce Hutchison writes "The present conception of private property is that of something sacred to the owner, which the State cannot take from him." This is a preposterous statement.

The enjoyment of property is made possible only by State action; it depends on the law of contract and the law of inheritance, both of which can be changed by the State.

The teachings of Christ make it very difficult to understand how the word "sacred" can be used in relation to private property in a christian community.

A.

Toronto.

### Power Rates Comparison

In your Oct. 23 issue J. E. Langdon has a long and persuasive article comparing the rates charged by Montreal Light, Heat & Power and the Ontario Hydro Electric, and in it he attributes the difference in rates to at least six main causes. On another page of the same issue is an advertisement of the Montreal company, signed by its president, in which it is categorically stated that any difference in rates for similar services are **exclusively** due to discriminatory tax laws. I find it impossible to reconcile the article with the advertisement, and conclude that one of them must be false.

C. A. Ashley.

Toronto.

• • •

### European Domination

The Montreal Daily Star of Friday, Oct. 29, 1943, records three cardinal declarations before members of the Canadian Chamber of Commerce at their annual convention, and I refer to the third and following:

"There is a necessity for an economic unification of Europe under the aegis of Soviet Russia in the postwar period."

I wonder if the promulgator of such a theory is aware of the dangers that will arise if it were put into effect?

Does he know Europe and the intricacies in the relations of the many nations and races which go to make up Europe? Is he familiar with and does he understand their ambitions, their background and their rights?

From my knowledge I must consider the economic unification of Europe under the aegis of one single nation absolutely impossible and nothing could be more dangerous to future world peace. It must be remembered that attempts at establishing economic hegemony were greatly responsible for the First World War.

It is the sane and sober influence of Great Britain, the United States, and Russia, in unison, which can rebuild Europe, but to leave to any one nation the task, the right, or the power, to become the economic, and thereby unavoidably, the political leader, can only bring us to the edge of another abyss.

Each of the nations in Europe has its own characteristics, peculiarities, sense of honor and self-respect. The sooner we realize that they do not want to be regimented any more than we do the sooner can we hope for a new, free and peaceful Europe.

Edward V. Volckmar.

Montreal.

• • •

## Stop Me If . . .

"Why did you go to Dr. Frost?"

"Well, Dr. Gile had 10 to 1 on his door, and Dr. Frost had 3 to 5, so I took the best odds I could get."

## Sayings of the Week

"We are standing at the turning point of the war, not at its end." — *Field Marshal Jan C. Smuts, warning that the hardest and bloodiest battles of the war are still ahead.*

• • •

"There are young children in this country who do not know what an automobile looks like. The New Order has set rural Holland back a century."— *A recent fugitive from German occupation, quoted in London.*

• • •

"One part of your mind should prepare for a long and tough struggle, but with the other part you can legitimately watch for anything to happen."—*Viscount Halifax, British ambassador to the U. S. in Washington interview in which he intimated that Germany might crack at any time.*

• • •

"This is a supremely difficult moment at which to be discussing positive plans, for we know little or nothing as yet, in the spheres of economic and financial policy, regarding any Government's intentions."—*Gilbert E. Jackson, Toronto economist at Chamber of Commerce Convention last week.*


## The Financial Post

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Hydro Development

# Hudson Bay Area Promising

## Engineer Sees Future Power Developments in North

Not in such projects as harnessing the Fundy tide nor even in the mighty St. Lawrence and Ottawa rivers does Canada's electric power for her future 50 millions lie. Rather in the northern central plateau, the two thirds of the Dominion surrounding Hudson's Bay and lying between Labrador, Lake Winnipeg and the Great Slave Lake will be the birthplace of future sources of industrial energy.

This was the theme of the message delivered and the pictures shown by Otto Holden, president of the Royal Canadian Institute for 1943-44 at the opening lecture in Toronto last week. Mr. Holden is chief hydraulic engineer of the Ontario Hydro-Electric Power Commission.

Great as has been Canada's hydro-electric power development since 1882 when, at Ottawa, the country's first turbo-generator went into action at Young's sawmill, it is seen by Mr. Holden as a bare beginning.

Future developments, he thinks, will overshadow in scope and unique features the million-horsepower Shipshaw development in Quebec and such other wartime projects as Ontario's Ogoki diversion, Madawaska River (Barrett Chute), DeCew Falls and Muskoka River projects.

Of the Dominion's available power 80% is undeveloped.

Steady growth from the beginning of the century has given Canada an installed capacity to date of more than 9¼ million h.p. but, says Mr. Holden, potential power resources are estimated at about 40 million h.p. and the installed generating capacity probably would exceed that by 30%.

He interpreted this as meaning the present recorded water power resources would ultimately permit installation in excess of 50 million h.p.

While, in his Institute lecture, Mr. Holden did not neglect the topography and power potential of the Maritime provinces, the St. Lawrence lowlands, the Great Plains and mountain area of British Columbia, his emphasis was on the "half of Canada's water power located in the central region—Quebec, Ontario and eastern Manitoba—which is in close association with great mineral deposits and forest resources."

In the gigantic crescent of the Hudson's Bay hinterland, Mr. Holden said, were found no elevations much more than 2,000 feet above sea level. Topography over a very wide territory, moreover, was such as to enable development of an unusually high percentage of total water fall in integrated stream projects.

### Inexhaustible Resource?

Mr. Holden frequently observes that while mineral, fuel and most other major resources decline with use, water power is inexhaustible. But he qualifies this immediately by warning that Canada's water resources must be carefully protected.

Sacrificial "spot" developments must be avoided, he cautions, explaining that he means careless utilization of a convenient site at the expense of related but further removed falls. Not only must there be integrated and systematic development in flow areas, but Canada must husband her forests and wild life, for denuding of land is the prime cause of drought and flood.

And, as a lesser but still important concern, steps could be taken to maintain developed falls, Mr. Holden said, referring to proposed submerged weirs above Niagara's horseshoe falls to spread brink-flow to the flanks and so reduce rapid erosion at the centre.

One of the things about Canada's water power resources that most interests Mr. Holden is its evenness of distribution in relation to the other natural resources—coal, iron, forests, etc.—and he believes this good fortune has played a large part in Canadian industrial growth since the turn of the century.

Optimistic regarding further industrial expansion, the OHEPC hydraulics expert sees only minor and brief difficulties in electricity's post-war transition.

# Canada Gets Lion's Share Br. Guiana Import Business

Canada has outstripped the United Kingdom and United States as the principal source of supply of British Guiana. The Dominion is credited with shipping $6.5 millions worth of goods, more than 35% of the total 1942 imports to the colony as compared with the U. K. at 17.6% and with the U. S. at 31.6%, according to J. L. Mutter, Canadian Trade Commissioner at Port of Spain, Trinidad.

Value of British Guiana imports in 1942 was $18.4 millions, an increase of $928,353 for the year, the various increases and decreases registered in various commodities being shown in the following table:

**Canada Exports to British Guiana**

| | 1942 $ million | 1941 $ million |
|---|---|---|
| Foodstuffs | 3.2 | 2.8 |
| Raw materials | 0.1 | 0.01 |
| Manuf. products | 3.2 | 3.8 |
| Total | 6.5 | 6.61 |

**BREAKDOWN OF EXPORT FIGURES**

| | 1942 | 1941 |
|---|---|---|
| **Foodstuffs Increased:** | | |
| Butter | $128,444 | $108,796 |
| Smoked or dried fish | 281,776 | 224,447 |
| Wheat flour | 1,361,656 | 999,867 |
| Oats | 84,009 | 47,093 |
| Beans, peas, lentils | 87,963 | 8,187 |
| Salted and Pickled meats | 190,443 | 82,964 |
| Condensed milk | 314,338 | 209,846 |
| **Foodstuffs Decreased:** | | |
| Potatoes | 49,537 | 179,108 |
| Onions and garlic | 13,991 | 73,738 |
| Beer, ale and stout | 20,446 | 62,056 |
| **Manufactured Goods Increased:** | | |
| Cotton piece-goods | 321,226 | 307,601 |
| Machinery (other than mining & electrical) | 309,212 | 277,287 |
| Paints | 92,878 | 48,209 |
| Paper & bag manuf. | 196,726 | 167,413 |
| Silk and artif. silk | 136,090 | 122,237 |
| **Manufactured Goods Decreased:** | | |
| Boots and shoes | 137,603 | 205,084 |
| Motor cars | 28,208 | 80,543 |
| Cement | 52,006 | 120,992 |
| Electrical goods | 88,864 | 125,752 |
| Metals | 409,358 | 461,762 |
| Perfumery, cosmetics, etc. | 10,921 | 48,635 |

# International Mining Asset Value Higher

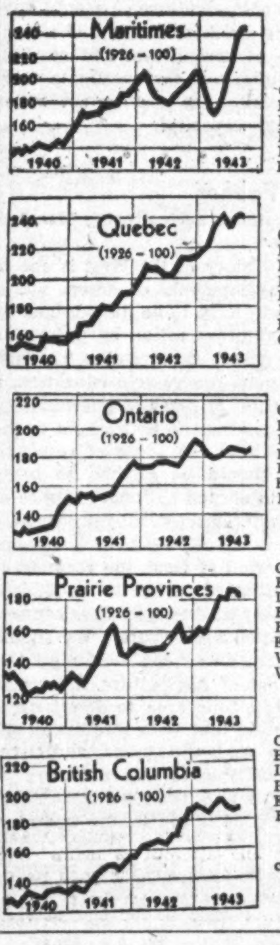
As at Sept. 30, 1943, International Mining Corp. reports net asset value of the 489,973 shares of common stock outstanding was $4.2 millions, or approximately $8.55 per share, after providing for all estimated taxes to Sept. 30, 1943. Net asset value at Dec. 31, 1942, was $6.82 per share, and $8.28 per share at June 30, 1943.

The corporation did not acquire any of its shares during the 9 months ended Sept. 30, 1943, but it intends to purchase shares on the New York Stock Exchange or other open market when and if directors decide it is in the best interests of the corporation to do so.

# Four Economic Areas Advance in September

With the exception of the prairie provinces, each of the regional business indexes prepared for The Financial Post advanced in September this year. Greatest percentage gain over August was in Ontario. A marked decline in wheat deliveries in the Prairie and some reduction in output of electric power accounted for the drop there. The Maritimes attained a new peak in economic activity.

Construction contracts awarded, after seasonal adjustment, were greater in each of the economic areas except the Prairies. Electric power was only up in the Maritimes. Employment advanced in the three eastern areas while financial factors showed general strength. More active textile and newsprint industries affected the business index in Quebec.




**Trend of Business in Economic Areas**

| | Sept. 1943 | % Change Sept. 1942 | Aug. 1943 |
|---|---|---|---|
| **Maritimes:** | | | |
| Constr. contr. $ | 1,300,000 | —47.0 | 1,698,000 |
| Bldg. permits $ | 303,000 | —51.1 | 413,000 |
| Life ins. sales $000 | 4,424 | +26.0 | 4,418 |
| Bank debits $000,000 | 95.5 | +9.0 | 91.7 |
| Elec. pwr. kw.h.000 | 95,000 | +46.2 | 103,000 |
| Employment* | 194.4 | +5.0 | 184.7 |
| Index | 245.9 | +22.8 | 245.7 |
| **Quebec:** | | | |
| Constr. contr. $ | 8,236,000 | +1.5 | 5,127,000 |
| Bldg. permits $ | 1,999,000 | —21.4 | 2,103,000 |
| Life ins. sales $000 | 12,614 | —20.9 | 12,040 |
| Bank debits $000,000 | 1,175 | +17.0 | 1,216 |
| Elec. pwr. kw.h.000 | 2,019,000 | +21.5 | 2,055,000 |
| Employment* | 200.9 | +3.3 | 198.7 |
| Newsprint prod. tons | 251,827 | —2.2 | 259,612 |
| Cotton consump. lb. | 15,009,743 | —5.2 | 13,959,740 |
| Index | 243.9 | +13.1 | 241.2 |
| **Ontario:** | | | |
| Constr. contr $ | 5,597,000 | —51.7 | 6,191,000 |
| Bldg. permits $ | 2,675,000 | —43.5 | 3,365,000 |
| Life ins. sales $000 | 19,781 | —17.3 | 17,957 |
| Bank debits $000,000 | 2,159 | +26.9 | 1,747 |
| Elec. pwr. kw.h.000 | 822,000 | +3.1 | 837,000 |
| Employment* | 184.8 | +0.1 | 184.9 |
| Livestock slaughterings* | 225.7 | +21.1 | 218.5 |
| Index | 187.0 | —0.7 | 184.0 |
| **Prairie Provinces:** | | | |
| Constr. contr. $ | 2,176,000 | —67.7 | 9,459,000 |
| Bldg. permits $ | 1,001,000 | —42.0 | 943,000 |
| Life ins. sales $000 | 7,853 | +12.4 | 6,818 |
| Bank debits $000,000 | 770 | +53.4 | 709 |
| Elec. pwr. kw.h.000 | 231,000 | +9.5 | 212,000 |
| Employment* | 145.1 | +4.3 | 141.6 |
| Wheat receipts bu. | 22,927,000 | —3.3 | 13,607,000 |
| Wheat prices** | 117/4 | +31.1 | 111/7 |
| Index | 182.6 | +11.8 | 187.9 |
| **British Columbia:** | | | |
| Constr. contr. $ | 1,262,000 | +61.2 | 1,390,000 |
| Bldg. permits $ | 1,015,000 | —18.9 | 707,000 |
| Life ins. sales $000 | 3,818 | —18.9 | 3,828 |
| Bank debits $000,000 | 286.1 | +29.3 | 257.4 |
| Elec. pwr. kw.h.000 | 210,000 | —0.9 | 221,000 |
| Employment* | 195.8 | +6.6 | 191.9 |
| Index | 189.9 | +5.1 | 188.2 |

*1926=100. Employment statistics apply to preceding month.

**Cents and eighths of a cent per bushel.

# The Week in Business

| | Oct. | Sept. | Aug. | July | Year Ago |
|---|---|---|---|---|---|
| Financial Post Production Index | .... | 258.4 | 255.5 | 254.4 | 222.6 |
| ▪National Income. D.B.S. (c) | .... | §745 | §732 | §749 | 646 |
| Dom. war expend. (million $) | .... | 247.2 | 436.3 | 264.2 | 130.9 |
| Dom. total revenue (do.) | .... | 215.9 | 208.7 | 283.0 | 162.4 |
| Dom. total expend. (do.) | .... | 389.8 | 470.3 | 498.9 | 319.0 |
| ▪Dept. store sales index no. | .... | 156.3 | 148.4 | 144.7 | 152.7 |
| Retail sales index no. | .... | .... | 162.0 | 155.4 | 162.4 |
| Wholesale sales index no. | .... | .... | 170.8 | 170.5 | 157.4 |
| ▪Country store (% change pr. yr.) | .... | +5.7 | +7.7 | +17.6 | +12.6 |
| ▪Divd. payment index♦ | 123.9 | 124.0 | 124.2 | 124.2 | 123.3 |
| Bank deposits (1935-39=100) | .... | 170.7 | 169.9 | 176.0 | 170.1 |
| ▪Cash and cheque pay. index | .... | 180.2 | 161.3 | 174.7 | 139.7 |
| ▪Bank debits (1935-39=100) | .... | 171.6 | 157.1 | 158.2 | 134.5 |
| ▪Money supply (c) | .... | 4,760 | 4,735 | 4,851 | 3,927 |
| **NEWSPRINT % OF CAPACITY—** | | | | | |
| Production ratio | .... | 70.7 | 70.1 | 70.9 | 72.4 |
| Shipment ratio | .... | 68.7 | 70.4 | 76.8 | 82.1 |
| **RAILWAY FREIGHT LOADINGS—** | | | | | |
| Tons (D.B.S. index) | .... | 148.4 | 182.8 | 187.7 | 127.1 |
| Cars (D.B.S. index) | .... | 122.9 | 138.7 | 148.0 | 117.4 |
| **COST OF LIVING—** | | | | | |
| D.B.S. index | .... | 119.4 | 119.2 | 118.8 | 117.4 |
| **EMPLOYMENT INDEX No. D.B.S.—** | | | | | |
| All Industries | .... | .... | 185.9 | 183.7 | 177.8 |
| Manufacturing | .... | .... | 227.7 | 226.5 | 212.1 |
| Payrolls (June 1/41=100) (b) | .... | .... | 149.5 | 145.7 | 131.6 |
| Payrolls (1937=100) (a) | .... | .... | 215 | 226 | 202 |

| RAILWAYS— | 1943 | 1942 | 1943 Jan. 1 to date | 1942 Jan. 1 to date | Change % |
|---|---|---|---|---|---|
| ▪Carloadings (week Oct. 23) | 73,101 | 73,033 | 2,805,684 | 2,776,360 | +1.0 |
| ▪C.P.R. gross (week Oct. 21) $ | 5,881,000 | 5,088,000 | 233,901,000 | 202,359,000 | +15.6 |
| C.N.R. gross rev. (Sept.) $ | 36,946,000 | 33,860,000 | 326,949,000 | 270,827,000 | +20.7 |
| C.N.R. net rev. (Sept.) $ | 9,425,000 | 8,832,000 | 72,118,000 | 62,761,000 | +14.9 |
| ▪C.P.R. gross rev. (Sept.) $ | 26,289,433 | 22,113,749 | 216,019,305 | 187,126,616 | +15.4 |
| ▪C.P.R. net rev (Sept.) $ | 3,784,765 | 3,569,177 | 32,761,861 | 32,005,741 | +2.3 |
| **IRON AND STEEL—(September)—** | | | | | |
| ▪Pig iron production (tons) | 147,902 | 155,900 | 1,331,966 | 1,464,631 | —9.0 |
| ▪Steel production (tons) | 241,255 | 244,922 | 2,237,736 | 2,309,588 | —3.1 |
| **CONSTRUCTION—** | | | | | |
| Contracts awarded (Sept.) $ | 18,570,600 | 29,675,100 | 160,729,600 | 228,486,900 | —29.7 |
| ▪Building permits (Sept.) $ | 6,992,893 | 10,900,174 | 59,638,445 | 81,221,368 | —26.5 |
| Cement prod., bbls. (Aug.) | 952,500 | 1,230,065 | 4,888,326 | 5,938,311 | —17.6 |
| **AGRICULTURE—** | | | | | |
| Flour prod., bbls. (Aug.) | 1,888,030 | 1,820,199 | 15,992,768 | 13,135,626 | +21.7 |
| Cattle sales▴ (Sept.) | 116,256 | 86,645 | 816,033 | 794,710 | +2.7 |
| Hog sales▴ (Sept.) | 524,862 | 460,407 | 4,676,756 | 4,400,396 | +6.2 |
| **SEA FISHERIES—‡** | | | | | |
| Catch, cwts. (July) | 1,659,279 | 1,387,400 | 5,344,855 | 5,804,685 | —7.9 |
| Landed value (July) | 6,570,634 | 5,097,200 | 21,387,627 | 15,550,040 | +37.6 |
| **NEWSPRINT—** | | | | | |
| Production, tons (Sept.) | 251,827 | 257,618 | 2,217,432 | 2,410,209 | —8.0 |
| Exports, tons (Sept.) | 227,775 | 275,791 | 2,102,322 | 2,263,179 | —7.1 |
| **MINING AND OILS—** | | | | | |
| Coal prod., tons (Aug.) | 1,426,032 | 1,468,448 | 11,685,386 | 12,434,353 | —6.0 |
| Gold rec. (fine oz.) (Sept.) | 286,771 | 382,880 | 2,788,396 | 3,547,871 | —21.4 |
| Petroleum prod., brl. (July) | 831,412 | 869,034 | 5,869,282 | 6,109,072 | —3.9 |
| **ELECTRICAL POWER OUTPUT—(September)** | | | | | |
| ▪Total monthly 1,000 kw.h.'s | 3,376,775 | 2,954,285 | 29,898,835 | 27,583,531 | +8.4 |
| **FOREIGN TRADE—♦** | | | | | |
| ▪Imports (Sept.) | 137,271,083 | 126,344,012 | 1,276,973,136 | 1,240,275,411 | +2.9 |
| ▪Exports (Sept.) | 247,368,469 | 207,514,839 | 2,137,101,830 | 1,692,296,993 | +26.3 |
| **OTHER INDUSTRIAL FACTORS—** | | | | | |
| Shoes, prod., pr. (July) | 2,777,758 | 2,773,334 | 23,028,795 | 21,864,466 | +5.3 |
| Cotton consump., lb. (Sept.) | 15,009,743 | 15,824,873 | 138,765,250 | 148,371,065 | —6.4 |
| Cigarette cons. No.† (Sept.) | 923,720 | 890,109 | 8,204,882 | 7,221,828 | +13.6 |
| **FINANCE—** | | | | | |
| Bank debits† (Sept.) $ | 4,485,004 | 3,516,107 | 38,378,604 | 32,291,692 | +18.8 |
| Bond sales† (Sept.) $ | 750,202 | 255,223 | 4,394,117 | 2,844,274 | +54.5 |
| ▪Life insurance sales (Sept.) $ | 49,288,000 | 55,790,000 | 427,003,000 | 379,409,000 | +12.5 |

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. †000 omitted. ▴Total at yards and plants. ▪New items for week. ♦Supplied by Nesbitt, Thomson & Co. (c) 000,000's omitted. ♦Gold excluded. (a) Compiled by Canadian Bank of Commerce. (b) All industries. §Estimated.

# Jap Evacuee Camp Closes

From Our Own Correspondent

VANCOUVER.—So great has been the exodus of Japanese from British Columbia to the prairies and eastern provinces during the last few months that the British Columbia Security Commission has been able to close one of its six evacuation camps in the interior of the west coast province.

The camp shutdown is due entirely to the movement of Japanese eastward, and it is reported that at least 6,000 young Japanese have received self-supporting jobs from Alberta to Quebec.

The number of Japanese in the various B. C. camps has been reduced from 23,000 to 16,300. Of the Japanese who have left this province 2,661 have gone to Alberta, 84 to Saskatchewan, 1,074 to Manitoba, 1,570 to Ontario and 197 to Quebec.

### Japs Paid Better Now

Japanese did not relish the idea of leaving the coast at first, but their experience in the interior camps enabled them to grow accustomed to activity away from the sea and has prepared them for work in other parts of Canada, where they are able to receive wages in excess of those available to them west of the Rockies, where most of the work is merely cutting wood or gathering crops.

British Columbians hope the Japanese will be content to remain where they are even after the war, although other provinces accepted them on condition that the arrangement was for the period of the war only. Those who have studied the Japanese-Canadian problem most thoroughly believe that the problem may be most easily solved if the Japanese are scattered throughout the country rather than concentrated in a small area on the coast, as they were before Pearl Harbor.


# Are You Ready for Combined Operations?

If it is your good fortune, as it is mine, to deal with men whose businesses represent a cross-section of industry, commerce and finance, you will know that, apart from personal affairs, two things are uppermost in your and in their minds. (1) What changes may be forced upon you and them in catering to post-war demand for products or services. (2) How to anticipate these changes and meet them. Many new products will be born of war's experience and post-war enterprise; so it is no wonder that these matters are of concern.

A client analysed his frame of mind in this respect rather well. He said:—"I sometimes feel as though I am living in a state of suspended animation—waiting for the war to end, so that we here can come down to earth and resume normal business. We used to have sales problems. Now, difficulties are those of production—to take care of old customers and satisfy Government demands. But (and here's the rub) this condition may change overnight . . . then what?"

"This uncertainty," he continued, "is one of the reasons why we have not let up on our advertising. We have had to curtail our sales force and can't call on dealers very often. We don't want old customers to forget either us or our products. Not only that, but there's a new generation of buyers growing up. Advertising is the only way to reach them now. We regard our present advertising as a sort of insurance investment in the future."

Then he went on to say that the Institutional Advertising which I have prepared and published for them since 1940 has done a remarkably good job in maintaining and extending goodwill, despite inability to fill orders. "The advertising," he continued, "is the best we ever did judging by the favourable attention it has received."

• • • • • •

Now the planning and execution of this particular advertising was a "Combined Operation"—developed by the General Manager, the Sales Staff and myself.

The military term "Combined Operations" describes exactly what is or should be the fundamental basis for any well-directed sales and advertising campaign . . . Combined Operations—planned by the Management and Sales and Advertising Departments working together to reach all concerned with distribution and consumption.

Sales Policy should always govern Advertising Policy. I have heard it argued the other way around. I disagree with this. It puts the cart before the horse. When sales policy has been decided, the advertising should dovetail in it. At all events, this is what happens with most successful advertisers.

• • • • • •

Creative advertising should be bought—not sold. An advertiser seeking for creative assistance from an advertising agency, should look for the man that he wants to do business with, take him into his confidence, and then put him to work. In that way, an advertiser should get the very best out of his advertising man because he would necessarily need to become a part of the advertiser's organization. One of my customers was kind enough to write just last week—*"We regard you as part of our organization."* I have been doing business with this firm for more than twenty years so it made me feel good to get that spontaneous letter.

*Being part of the organization* is the way I feel about doing business with all my customers. That's why we enjoy working together on each job, quite apart from the financial consideration which is not to be overlooked.

We never ask a contract from an advertiser. Some advertising agencies like to sign up clients for one, two or three years—I don't. My belief is that it is irksome and unwise for both parties to be forced to do business because of a legal obligation.

If you feel disposed to consult me about your advertising, I will endeavour to win and hold your confidence, so that you also will regard my staff and me as part of your organization—the advertising part of it. There can be no doubt that with our Combined Operations, we should be able to do an excellent job for you.

Thornton Purkis

330 BAY STREET, TORONTO
ADEL. 6221



MULTIPLY Your CASH SALES

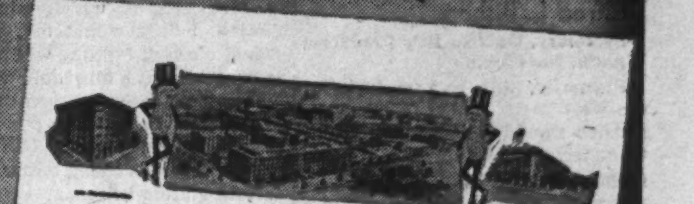
Mr. Advertiser, consider Canada's farm market . . . with the cash income of Canadian farmers steadily rising the time to advertise in rural Canada is NOW!

● Arrange a campaign in the FAMILY HERALD AND WEEKLY STAR and reach over 300,000 prosperous, rural homes. — more than any other farm magazine.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL - CANADA



50 YEARS OF PROTECTION




Mr. J. F. McFadden, President,
American Credit Indemnity Company
of New York,
Baltimore, Maryland.

Dear Mr. McFadden:

In any firm, a 50th Anniversary is a remarkable achievement but, because American Credit is an insurance company, your 50th Anniversary assumes added significance.

American Credit is now an "old insurance company" . . . and insurance companies become "old" only by honorable service . . . by excellent reputation in the business community. Our own 18 years of relationship is testimony of our confidence in both the financial strength and character of your Company.

While offering my congratulations, I should also like to extend my best wishes for the continued success of American Credit in the years ahead.

Yours very truly,

50th Year AMERICAN CREDIT INDEMNITY COMPANY OF NEW YORK 1893 1943

J. F. McFadden, President

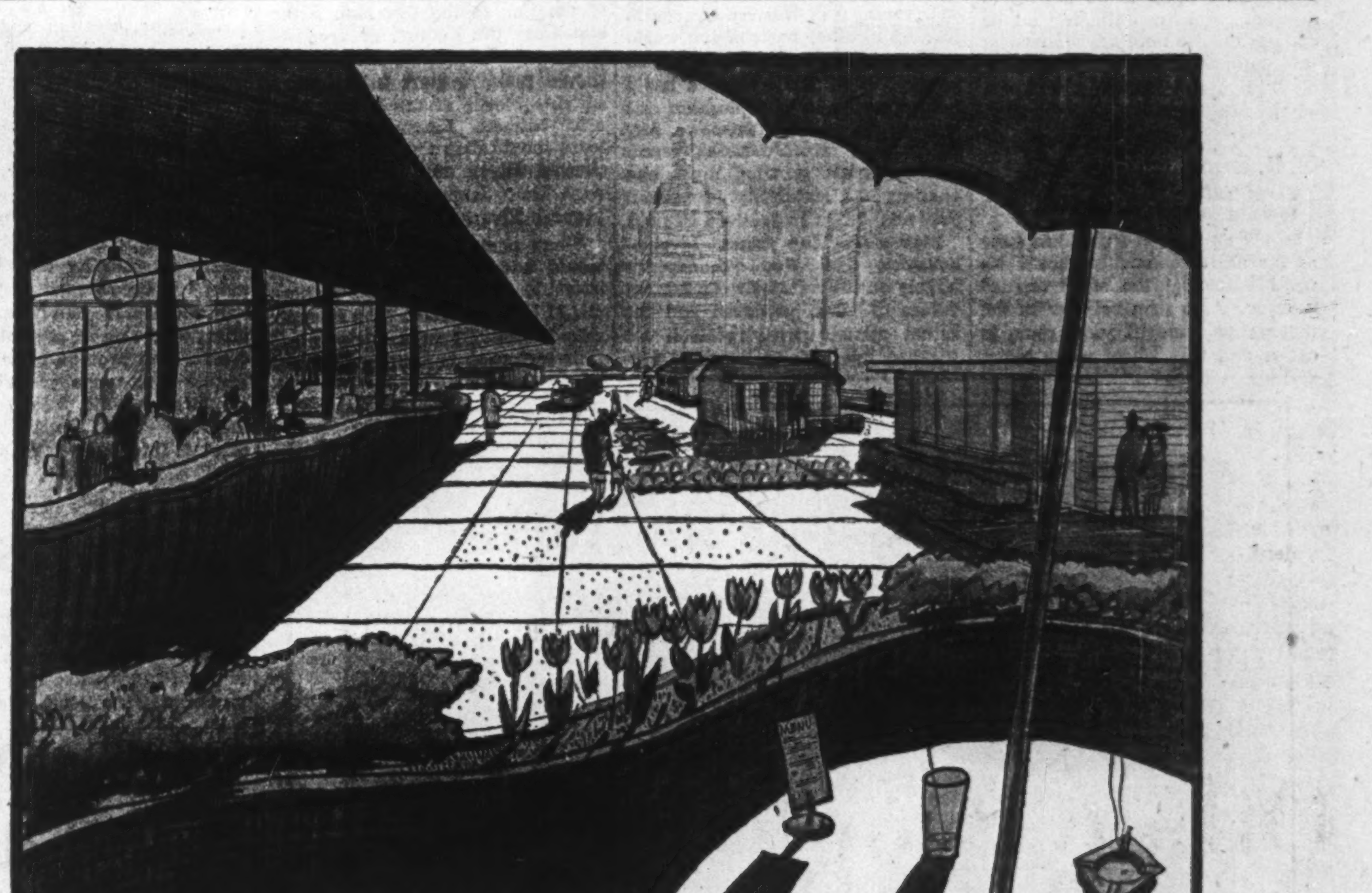
★

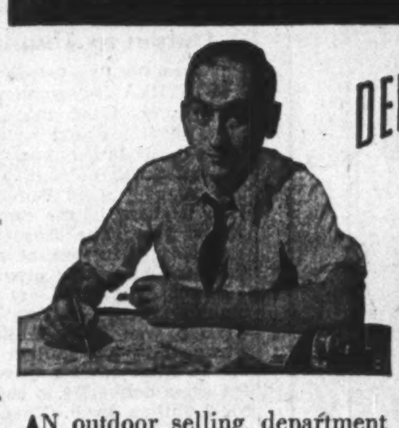
CANADIAN DIVISION

"Guarantees Payment of Your Accounts Receivable"

OFFICES IN TORONTO, MONTREAL AND SHERBROOKE







DEPARTMENT STORE IN 194X

AN outdoor selling department that is *actually* out of doors . . . prefabricated houses for sale on the roof of a department store . . . This is just one example of the many functional possibilities of roofs in the post-war building era ahead. Designed by architect George Nelson of New York City, this project opens new horizons in department store roof design. Space is provided for assembled prefabricated houses, arrangements of outdoor game equipment, garden furniture and pools, where they may be exhibited in their proper surroundings. Featured also are an attractive soda fountain and restaurant with tables indoors and out. The roof is appropriately finished to protect the waterproofing membrane and utilize important roof areas which are generally neglected.

* * *

This is the first of a series of architectural designs providing greater utilization of roof areas, a development forecast by the Barrett Roofs which support roof-top gardens in Rockefeller Center, New York, and elsewhere.

In post-war buildings, traditional limitations of design will be put to test, and many new practices and techniques will unquestionably be developed. Just as Barrett Specification Roofs proved their adaptability to new architectural forms in the decades since 1854, so too will these famous coal-tar pitch and felt roofs continue to provide the maximum in dependable, long-lasting waterproofing and weather-proofing protection for the buildings of tomorrow.

THE BARRETT COMPANY LIMITED
Montreal • Toronto
Winnipeg • Vancouver

Barrett Specification* Roofs

*Trade Mark Reg'd.

**In Your Opinion—**

# What About Mixed Farming in West?

## The Question: What should, or could, be done now to foster continued expansion of mixed farming in Western Canada after the war?

*Unusually heavy response to this question and restricted space made it impossible for The Financial Post to publish more than approximately half of the replies received when it was first asked last week. The balance follow:*

### Wilfred L. Bishop

**Secretary, Ontario Hog Producers Ass'n, Norwich.**

Primarily, this is a problem of the west itself. Mixed farming expansion should follow sound scientific technique with relation to crops suitable to soil and climate and sound market practice. From a long-term standpoint, eastern agriculture need not fear competition from western mixed farming.

For instance, in the postwar period, our position on the British bacon market can be best maintained by a consistently sizeable volume of uniform and superior quality which can and must be produced by Ontario and the three prairie provinces working in close co-operation.

• • •

### H. A. Craig

**Former deputy minister of agriculture for Alberta, Edmonton.**

Frequent and violent fluctuations in prices of farm commodities have discouraged an aggressive farm program. Nothing would so much conduce to sound expansion and permanent prosperity of agriculture as the stabilization of farm prices at levels which would ensure a fair margin of profit over reasonable costs of production.

I recognize that such stabilization may at times tend to cause surpluses and involves grave problems which must be solved by the extension of markets both domestic and export and by other means. These and all the other economic and production problems surrounding agriculture should be studied now by those thoroughly competent so that future policies may be based on such study. Without a strong and effective measure to restore confidence to the whole farm enterprise, we cannot expect to attract the best youth of our country to live on the land.

• • •

### R. D. Colquette

**Editor, Country Guide, Winnipeg.**

Continued expansion of mixed farming in western Canada depends on markets. Market demand will depend on improved dietary standards throughout the world and the freedom of movement of commodities between countries. Satisfactory diets are being worked out. The demand for them can be created by education; economists can evolve monetary plans to facilitate the exchange of goods.

The chief thing to do now is to marshal and consolidate public opinion on the necessity of freeing international trade from shackles of all kinds and providing stable exchange relation between the nations.

• • •

### O. R. Evans

**Farm editor, Family Herald & Weekly Star, Montreal.**

In my opinion, the west has gone as far as it reasonably should toward the expansion of diversified farming. As a firm believer in the theory that drought years come in cycles and that wheat alone seems to give returns under minimum rainfall, I believe that too great a swing to mixed farming will be just as dangerous as a blind following of the one-crop system. Present activities under PFRA are proving a great boon and should encourage enough mixed farming without any further outside help.

• • •

### Dr. W. H. Fairfield

**Superintendent, Dominion Experiment Station, Lethbridge, Alta.**

To foster continued expansion of diversified agriculture in western Canada, the activities under the Prairie Farm Rehabilitation Act dealing with water development, including irrigation, cultural practices and sound land utilization, must be continued and extended.

Bring prices of livestock and livestock products into economic relationship with grain prices and other costs with some assurance of permancy of this relationship.

Eliminate trade barriers to provide wider markets for livestock products and relief from protected prices on equipment farms must buy.

Increase western industrialization to provide more local markets for perishable or semi-perishable products of mixed farming.

• • •

### R. T. Graham

**Member of Parliament for Swift Current, Sask.**

In my opinion essential requirements are:

(1) the securing of permanent and reasonably remunerative markets, and (2) the stabilization of feed supplies in certain southern areas of the Prairie Provinces.

To accomplish the second we must intensify agricultural research, develop water conservation programs properly, utilize our agricultural lands and still further improve seed and cultural methods.

The most practical way of assuring markets would be to do away with all artificial trade barriers between Canada and the United States. The northwest Pacific states offer a market that would absorb great quantities of mixed farm produce cf highest quality. This, too, would leave to eastern Canada its normal markets for like products.

• • •

### T. O. F. Herzer

**General manager, Canadian Colonization Ass'n., Winnipeg.**

In forming any agricultural policy, prime consideration should be given to natural advantages or disadvantages of Western Canada in relation to other parts of the world producing livestock and only such production stimulated which has a natural place in this program and is profitable to the farmer. Any program of mixed farming versus straight grain growing must also consider the suitability of various producing areas in Western Canada.

Maintaining the present level of livestock production depends largely on the ratio between market values of grain produced and the actual market price received for finished livestock or livestock products. Immediate clarification of the ratio of hog prices to present barley and oat prices should be established which should also include cattle and sheep. A quota should be presented conducive to the maintenance of the livestock program.

If present or immediate postwar needs of Europe demand export cereals rather than animal products, farmers are prepared to support such a program, but authoritative information should be given immediately.

Assistance of PFRA in providing stock, water and pastures should be continued. Reciprocal arrangements particularly with us, to facilitate entry to that market and access to other world markets is of prime importance. Generally speaking expansion of mixed farming depends on markets for livestock products. If the farmer can sell profitably, he will produce.

• • •

### W. R. Leslie

**Superintendent, Dominion Experiment Station, Morden, Man.**

Expansion of mixed farming in prairie Canada would be favored by greater conservation of water, such as that from spring run-off, extension of tree shelter belts on farms; more general practice of crop rotation systems, particularly those including legumes and corn or sunflowers and a variety of cereals, and the extended planting of soybeans, peas, flax, sorghums and annual pasture plants. Formation of breeding clubs in a community would improve livestock by concentration on one breed of cattle where now there are several. Keen demand and good returns will accompany maintenance of a high standard of living.

• • •

### John R. MacNicol

**Member of the House of Commons for Davenport, Toronto.**

The government should vigorously support the Prairie Farm Rehabilitation Board's water conservation program; should carry out the International Joint Commission order to construct large reservoirs to conserve flood waters of the international rivers—the Waterton, the Belly, the St. Mary's and the Milk; should build reservoirs at the head waters of the Old Man, the Bow, and other South Saskatchewan source mountain streams; should then enlarge and extend the present irrigation systems north and south of the line of the Old Man River east from the Lethbridge area towards the Medicine Hat area; should make a start in irrigating suitable blocks of the Pearce Plan area between Hanna and Saskatoon; should dam the South Saskatchewan River and irrigate lands west from Regina and Moosejaw towards Riverhurst.

When completed, these projects would add over a million fertile irrigable acres to the Western mixed farming areas. The splendid mixed farming results now obtained from irrigation in Southern Alberta that have made Lethbridge and adjacent municipalities thriving and prosperous is one hundred per cent evidence of what irrigation can do.

• • •

### H. M. Morrison

**Manager mortgage investment dept., Great West Life Assurance Co., Winnipeg.**

The farmers of western Canada are already doing magnificent work on essential agricultural war production. The availability of world markets will largely govern postwar mixed farming expansion. Climatic conditions of western Canada must be considered in any mixed farming postwar expansion.

A survey of climatic conditions and suitability of districts should be made now by agriculturists. Since agriculture is the west's greatest asset, any policy concerning expansion of mixed farming in the west should continue to receive consideration and stimulation by both Dominion and provincial departments of agriculture. I would suggest the appointment now of a committee of agricultural and marketing authorities to investigate market possibilities and to act in an advisory capacity.

• • •

### J. S. Palmer

**Prominent agriculturist, Marsden, Sask.**

The history of the West is one of the developments of desert waste. This will have to be discouraged by more vigorous action by promotion of the gospel of regrassing. Through continuous progressive education, a realization of sense of guardianship of the land has to be brought to the agriculturist. A sense of responsibility should be created to bring home to all, the national disgrace of the West's agricultural slum areas.

There should be, over a reasonable period of time, the security of a guaranteed price to producers, especially of livestock, to encourage diversified agriculture. We should establish, under the Dominion Department of Agriculture, a farm in each soil zone area to demonstrate if possible that with intelligent up-to-date methods, crops and livestock suitable to that area can be produced and return a reasonable standard of living to the operator, the products of such farms should be marketed in the usual commercial channels and income and cost to be available at the end of each year.

A pickup, cleanup and paintup campaign should be launched to encourage tidier, more attractive farm homes.

• • •

### D. B. Rogers

**Editor, Leader-Post, Regina.**

Mixed farming will continue to expand in the west as long as it remains profitable. Adjust tariffs to assure accessibility of world markets; encourage quality of production and steady supply; extend the effective period of present price increases and provide price floors to enable long-range planning when supplies permit; foster increased domestic and export demand through intelligent sales promotion.

• • •

### James Smart

**Manager, John Deere Co., Regina.**

Conditions vary in western provinces. To hold the present standing of mixed farming, Saskatchewan farmers must be assured of reasonable profit between the price of grain and livestock for labor and risk in raising stock. We need an increased educational program especially appealing to the younger generation on methods of raising and caring for stock, cautioning against raising more than they have feed for or proper housing, emphasizing that quality must be the first consideration; more desirable and experienced settlers reducing acreage now worked by larger farms. Some sections are not well adapted to mixed farming because of lack of pasturage and water.

• • •

### H. G. L. Strange

**Searle Grain Co., Winnipeg.**

Our prairie farmers are quite competent persons. They need no advice in peacetime on what to produce. Like most people they will produce those things which pay them best. The only possible method to expand mixed farming is to expand foreign markets for products. Considerably lower Canadian tariffs admitting foreign goods into Canada more freely will help expand export markets for mixed farming and other products. My personal opinion is that mixed farming for export will always be a minor enterprise on the prairies compared with grain production, owing to adverse climatic conditions and the long expensive haul of animals and animal products to the seaboard.

• • •

### M. J. Tinline

**Superintendent, Dominion Experiment Station, Brandon, Man.**

To make mixed farming popular farmers must have sufficient remuneration from sales of farm products to pay good wages and supply housing necessary to obtain ample and competent help. The ratio between grain and livestock prices must favor sales of livestock. Co-operation by farmers in transporting and marketing livestock and poultry is important. Further improvements in breeding and feeding methods will increase farmers' profits. Canadian farm youths should be taught livestock farming through existing and additional youth clubs. Food processing investigations aiming at reducing transportation costs of farm products should be increased.

• • •

### E. J. Young

**Of Toronto, director, Canadian National Railways, and large farm owner in western Canada.**

To foster continued expansion of mixed farming it will be necessary to sell on the world's markets at prices the world can pay. To do this we should:

1. Encourage and extend the work of the PFRA in order to make water and pasture available.

2. Reduce the cost of building materials and equipment so that farmers can provide proper shelter and facilities.

3. Discontinue the artificial enhancing of urban wage rates, which makes it impossible to keep men on the farms.

4. Shun all marketing schemes which aim to raise prices by artificial means.

5. Re-establish the credit of farmers willing to venture, by making it possible for them to contract themselves out from under the protection of any legislation which deprives the creditor of his right to collect.

# Saguenay Net Shows Decline

## Tax Provision Cuts Down Share Profits; 81% of Output to Aluminum

**From Our Own Correspondent**

MONTREAL.—Saguenay Power Co.'s consolidated income in the three months ended Sept. 30, 1943, was slightly larger than a year ago, but net profit of $1.10 a share on the common stock compared with $1.36 a share in the same quarter of last year. The drop in net was due to an increase of about one third in income tax provision.

Power generated at the Ile Maligne station during the same quarter was 746.9 million kw.h., which, with 53.5 million kw.h. received from other sources, permitted gross deliveries to customers of 800.4 million kw.h. This compares with 689.6 million kw.h. delivered during the preceding quarter. The aluminum industry took approximately 81% of the sales.

**Consol. Income—3 Mos. Ended Sept. 30**

| | 1943 | 1942 |
|---|---|---|
| Oper. revenues | $1,584,415 | $1,576,587 |
| Less: Oper. exp., etc. | 220,177 | 237,196 |
| Misc. tax | 68,557 | 81,913 |
| Add: Other inc. | 26,703 | 16,827 |
| Net revenue | 1,322,384 | 1,274,305 |
| Less: Bond int. | 346,153 | 349,620 |
| Amortization | 44,144 | 44,144 |
| Loss on exch. | 42,664 | 42,705 |
| Depreciation | 184,495 | 180,920 |
| Income taxes | 404,280 | 301,446 |
| Net income | 300,648 | 355,470 |
| **Consolidated Earned Surplus** | | |
| Prev. balance | 4,400,004 | 4,362,110 |
| Net income | 300,648 | 355,470 |
| ..... | 4,700,652 | 4,717,580 |
| Less: Pref. divd. | 68,752 | 68,752 |
| Com. divd. | 210,000 | 210,000 |
| Surplus forward | 4,421,900 | 4,438,828 |

You'll like them—
"EXPORT"
CIGARETTES
—everybody does.

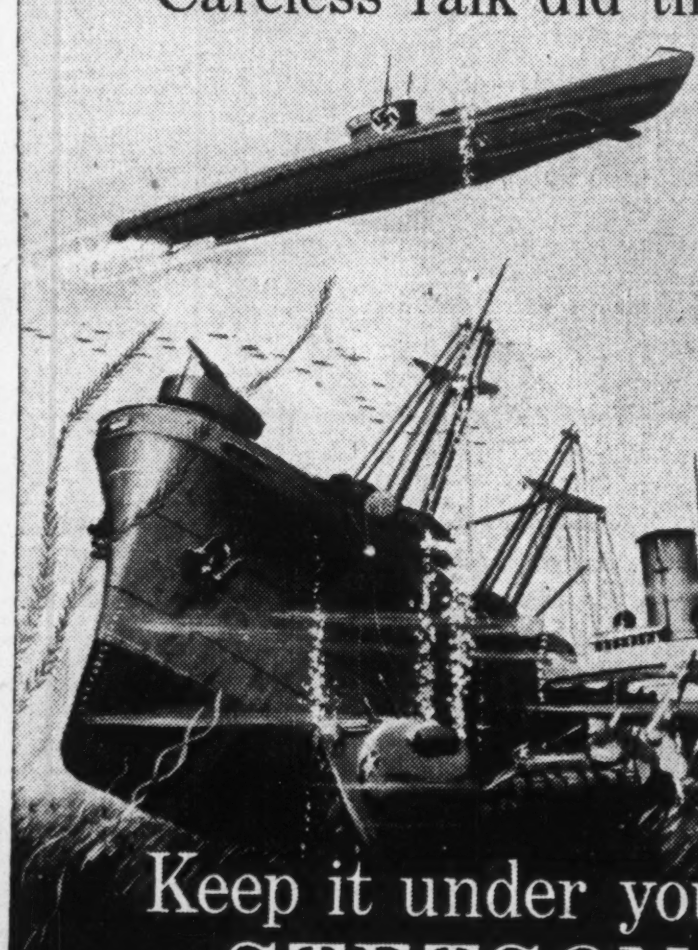
Mother lives from day to day!

No news from Ottawa means her boy is still all right.
We keep his risk at a minimum if we provide enough war material.
Lend our dollars to bring him home soon—

Speed the Victory with VICTORY BONDS

The Canada Life Assurance Company

Careless Talk did this!



Keep it under your STETSON

See the new Royal Stetson at $10
MADE BY THE EXCLUSIVE VITA-FELT PROCESS
MADE IN CANADA
JOHN B. STETSON COMPANY (CANADA) LIMITED • BROCKVILLE
SPEED the VICTORY 5th VICTORY LOAN BUY BONDS!

PLASTICS...

HAVE EXCITING POSSIBILITIES FOR CANADIAN INDUSTRIAL EXECUTIVES WHO STUDY THEM THOROUGHLY

PLANT ADMINISTRATION
Editorial Dep't. 1943

Memo to Executives:

Top-flight plastics engineers, editors and illustrators have been at work for over two months on a report to Canadian industrial executives. It's in the October issue of Plant Administration -- "Canada in the New World of Plastics" -- a fascinating 18-page story.

Business men who read it will learn what these amazing synthetics really are, what types are available and from whom, what plastics variants have been found successful for each product, how they are moulded and machined.

Don't miss "Canada in the New World of Plastics," first of a series of special reports to Canadian industrial executives to be prepared by Plant Administration.

H C Braund
Editor

• The President — who must be certain his company is as progressive as any other.
• The General Manager — who wants quality and saleability at lowest possible cost.
• The Purchasing Agent — who has to deal intelligently with a very technical subject.
• The Product Engineer — who needs thorough, exact information on material properties.
• The Plant Superintendent — who must master the production techniques of molding, machining.
• All Men of Industry — who want to be up-to-date on these fascinating, little-understood synthetics.

These reports are keen studies of live subjects — designed to inform quickly and thoroughly. Streamlined reporting, by men who know the answers, on the new materials in glass, light metals, plywood, etc. Pithy summaries of knowledge and experience on free enterprise, human engineering and other business problems of today.

Plant Administration is edited for Canadian industrial executives. It is read by those men, "front office" and "shop" who are concerned with the production of more and better goods at lower costs. Its thorough methods and broad scope have resulted in a volume and type of reader-reaction that provides a modern advertising medium of powerful appeal in all types of Canadian industry.

Reprints of this important report are available, write to
PLANT ADMINISTRATION
481 University Ave., Toronto 2

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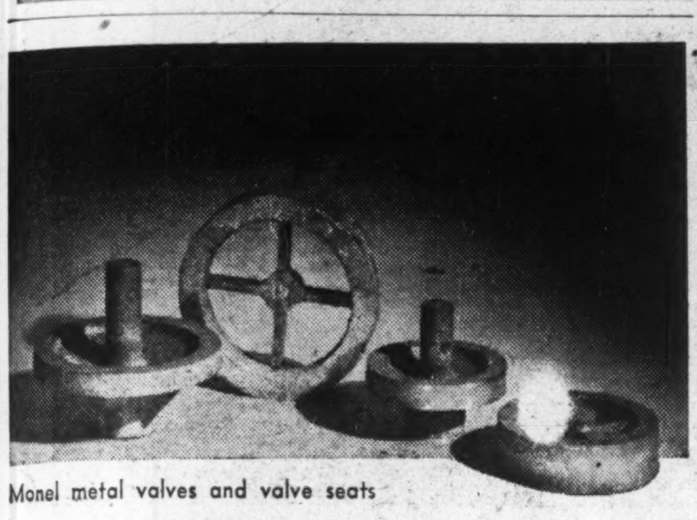
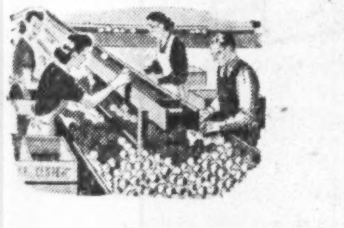


Monel metal valves and valve seats
MONEL METAL CASTINGS
Particular care and precision is required to make castings in monel metal.
The Tallman foundry is producing them. This is just one instance of our ability to serve industry with outstanding casting service.
A·H·TALLMAN Bronze COMPANY, LIMITED
HAMILTON · CANADA
PRODUCERS OF FINE CASTINGS IN ALL NON-FERROUS METALS

Air at Work...
TO TAKE AN ORANGE TREE TO TORONTO

SMACK IN THE CENTER of Toronto, the same delicious oranges that grew heavy on the trees in sunny California groves! It takes *Engineered Air* and lots of it — to bring this tree-ripened flavor of oranges to Toronto or any other distant place. From the time California hands reach up to pluck them from the branch, "Air at Work" takes over — through days of crating . . . storing . . . marketing. Let's see just how it's done...



1. After grading, precision blasts of moisture-laden air go to work on the fruit—to produce a uniform golden color in every ball of sunshine. Precision Sturtevant exhaust is also called for—to carry away the carbon monoxide which all citrus fruits "exhale".

2. Next, cold air is blown out into the pre-cooling room via a special Sturtevant air handling system — circulated through every crate of fruit — chilling it to the exact point where full flavor and juice content are retained.

3. Now comes the final touch of precision air control. In giant warehouses, crates are stored under **completely conditioned air** — controlled within one degree of temperature and one percent of humidity—resulting in the highest quality product at the market, a more extended selling season as well.

Yes, you're getting a lot of "Air at Work" whenever you purchase citrus fruits . . . 26½ pounds of air with every dozen oranges — 13 pounds with a dozen lemons — 177 pounds with a dozen grapefruit!

**HOW MUCH AIR TO PRESERVE THE QUALITY OF YOUR POST-WAR PRODUCT?** Engineered AIR . . . to ventilate, heat, convey, control dust and fumes, or burn fuel more economically . . . will make the difference between profit and loss for many a post-war venture. Sturtevant is ready to work with you or your post-war planning committee to start solving these "engineered air" problems now.

B. F. STURTEVANT CO. of Canada Limited
Factory: GALT, ONT.
Sales Offices: TORONTO, MONTREAL
Sturtevant Puts Air to Work

# B. C. Timber Men Move To Stop Forest Decline

### Favor Establishing Research Institute to Head Off Threat of Future Economic Catastrophe in Growing Denuded Forest Acreage

From Our Own Correspondent

VANCOUVER.—Need for conservation and research in the protection and fuller utilization of British Columbia's natural resources is now being recognized. During the coming months positive action may be taken by the provincial government and the industries concerned.

Establishment of a forest research institute representing the provincial and federal government, and the industry itself, is now being discussed. D. Roy Cameron, Dominion Government Forester, and C. D. Orchard, Chief Forester for British Columbia, have had several conferences on the subject, and the program has the support of operators, too.

Lumbermen and loggers are wondering what action the Hart Government proposes to take respecting the far-reaching enquiry that was to have been made some months ago into the forest industries.

The industry hopes the Government will not make the investigation a sort of open forum at which everyone will be entitled to present his views. Such a method, it is believed, would encourage enthusiasts of all descriptions, including many impractical theorists and radical labor leaders and politicians, to make a sounding board of the enquiry, without any appreciable benefit to the industry it is planned to protect and perpetuate.

**Committee Of Experts**

A better plan, many argue, would be for the Government to appoint one or more recognized experts to choose their own method of getting the facts. A program such as they might lay down for legislative action would be of far greater value than an exhaustive report such as might be prepared by a Royal Commission composed of men with no practical experience or knowledge of what has become an extremely specialized industry.

Forest production in British Columbia, so far as the important coastal district is concerned, is now near its peak. The industry that provides more than $100 millions in revenue to the province every year naturally cannot sustain itself on declining acreage.

Reforestation is regarded as essential to maintain production. Of the one third of the province's land area in forest land only one sixth is now marketable timber. The growing of new trees can be made profitable because the forest industries of the future will not depend, as in the past, on mature forest giants several hundred years old, but on new growth of 40 to 50 years that is just as suitable for pulpwood and many other forms of manufacture.

**Forego Immediate Profits**

British Columbia can guard against a future economic catastrophe by foregoing some immediate profits in the interests of conservation, according to foresters who have been studying the situation. They believe that there will have to be a substitute for the past's hit-or-miss policy of allocating forest revenues. If a larger proportion of the revenues obtained from timber taxation in the past had been devoted to a program for perpetuating the forest, the province would not now be faced with the desolation of thousands of acres of logged or burned over country devoid of forest cover.

B. C. mining men hope that similar steps may be taken before long to enquire into the problems of their industry.

Some mining operators contend that the fact that there have been few important mining discoveries in British Columbia for two or three decades suggests that something is lacking, possibly in the way of incentive to prospectors. If more new mines are not brought into production soon—or after the war has eased the labor market problems—mining will face the same sort of decline as will the forest industries if no restorative action is taken.

# General Rate Cut is Sought

### May Seek Power Rebate From All Quebec Companies

From Our Own Correspondent

MONTREAL.—Premier Godbout has issued instructions to the Public Service Board to conduct a summary investigation with a view to having the Quebec electrical utilities provide a general reduction of rates.

This order applies not only to Montreal Light, Heat & Power Consol., which the Premier proposes having the Government expropriate, but to all operators.

On the assumption that the enquiry into Montreal Power's rate structure will not be completed for several months and in view of the greater profits of the operators since the commencement of the war, Mr. Godbout noted:

"I am confident that after a summary investigation most of the companies will agree to grant rate reductions as soon as possible or to extend to all consumers certain reductions already granted but which did not include their entire territory. Certain companies have agreed to reduction as an experiment in certain regions only of their territory."

**May Give Rebate**

The Financial Post understands that the measures which the Public Service Board proposes to take do not call for a revision of rate structures, at least at this time, but that probably what will develop is a rebate of electricity in the form of free service over a specified period, similar to that which Toronto Hydro proposes to give to its customers.

The Premier's reference to profits is taken to mean gross profits. Published records of the six major electrical utilities in the province (they handle 90% of the total business) show that because of the income and excess profits tax, their net position has shown little or no improvement since 1938.

Net profits of the six companies (with 1938 figures in brackets) follows: Gatineau Power, $1,963,220 ($1,949,602); Montreal Power, $8,131,848 ($8,700,336); Quebec Power, $577,679 ($793,022); Saguenay Power, $1,422,857 ($1,251,464); Shawinigan, $2,532,866 ($2,648,492); and Southern Canada Power, $857,463 ($785,883).

From the point of gross earnings, each of the companies has been able to record substantial increases. In the case of Saguenay Power, gross income almost doubled over the last five-year period.

The method which the Public Service Board plans to use if applied to gross income, would leave the net position of the operators unchanged.

A rebate of electricity charges, it is pointed out, would reduce gross income of the operators and in turn lower the amount which the privately-owned power companies would pay to the Dominion in income and excess profits taxes. This, it is thought, would have to be cleared with Ottawa.

Another spot at which the suggested rebate, both in Quebec province and Toronto, might conflict with Ottawa's tax program is in connection with the 8% Federal sales tax on electricity bills, source of over $4 millions in annual revenue to the Dominion.

There is a possibility, according to utility circles here, that the proposal to provide Quebec's domestic electricity consumers with a rebate in their power bill may be too difficult to work out if Ottawa objects. On the other hand, if the Public Service Board of Quebec is successful in working out a plan, it would open the way for operators in other provinces to do likewise.

# Toronto Exchange Has Lower October Sales

Trading volume on the Toronto Stock Exchange for the month of October amounted to over 7.8 milliins shares as compared with 12.8 million in September, but recorded a substantial increase over the corresponding month of 1942 when shares traded totalled 3.1 million.

Similarly, value of shares traded in October totalled $13.8 millions compared with $19.5 millions for the previous month, but recorded a gain of some $8 millions over Oct., 1942, when values amounted to $5.8 millions.

**Western Canada Flour,** whose operations, together with its subsidiaries, include not only milling, but bakeries, salt plants, poultry food manufacture, etc., is subject to forfeiture of a considerable proportion of its refundable excess profits taxes for the current year's operations. As the Order-in-Council was designed mainly to apply to the milling industry, it is doubtful what portion of the profits of the company will be allowed any refund for excess profits taxes.

# Rate Pulpwood "B" Priority

### Men Going to Woods Freely Just Now, But Labor Lack Still Acute

From Our Own Correspondent

MONTREAL.—Pulpwood cutting operations have been given a "B" rating in order to offset an acute shortage of bush workers, according to an announcement of Minister of Labor Mitchell.

This move follows representations made to Ottawa some time ago by the industry, which pointed out that a serious shortage of pulp and paper production is in prospect for 1944 unless immediate steps are taken to get more men into the woods. Also supporting the application was the pulp and paper committee of the Combined War Production Board.

Within the last few weeks the flow of men into the woods has increased substantially. In certain Quebec areas, the number now at work compares favorably with that reported a year ago. But the labor supply is spotty, and probably, The Financial Post is informed, it will be another three or four weeks before the industry is in a position to make an estimate of the prospective wood cut for this winter.

**No Solution to Problem**

The "B" rating should prove helpful, but it does not mean labor will be forthcoming. The industry seeks to have as many men in the woods as last year, plus another 20,000, in order to have sufficient wood to ensure pulp and paper production at the present rate of consumption.

One of the principal difficulties encountered by the operators in the past has been to get men to leave the farm after harvesting. Under the old regulations a farmer was liable to lose his draft rating if he were away from his farm beyond the limited time allowed by Selective Service.

The "B" rating is intended to eliminate this difficulty, but it does not give the industry any priority in respect to available manpower. Demands for long lumber operations are equally pressing, as is the case for fuel wood. These two needs are expected to take precedence over pulpwood cutting, a condition which may have an important bearing on this winter's cut.

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# Lake of Woods Sales Improve

From Our Own Correspondent

MONTREAL. — Operating results of Lake of the Woods Milling Co. for September, the first month of the current fiscal year, were moderately ahead of a year ago, according to a statement by President F. S. Meighen at the annual meeting of shareholders.

Export volume has been very heavy Brig.-General Meighen told the shareholders. Prospective shipments to liberated countries and requirements of the armies in the field will likely cause export volume to remain heavy for some time—at least two years, he added.

Commenting on the reference in the annual report to the fact that since Aug. 1, 1943, the company has surrendered the refundable portion of the excess profits tax while in receipt of stabilization funds under price ceiling legislation, the president explained that the company had been given the option of claiming the 20% refund or of retaining the drawback. It was felt that the margin between the 77⅜ cents price for wheat to the company and the established level of $1.25 would ultimately be more beneficial.

Directors were re-elected without change and the annual statement approved by the shareholders.

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# We Have Been Asked . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

## INCOME TAX

### Has War Contract

Is there any provision in the Income Tax Act which allows a person supplying fuel to the armed forces or performing other government contracts to charge up, as an expense, new equipment purchased? Some hold that if such new equipment were not purchased an even greater amount would have to be charged off as wages, and that, therefore, some allowance ought to be made for the apparatus purchased.

Under normal circumstances, the only allowance permissible for extra equipment purchased would be the 10% depreciation established in the regulations. If the equipment was purchased, however, directly in connection with war work, it is possible some greater deduction might be allowed. In that case, application for special allowance would have to be made first to the Commissioner of Income Tax at Ottawa, and it would have to set out all the circumstances.

### Balance of 1942 Tax

I still owe part of my tax on 1942 income. What is the latest date on which I can pay this balance?

You are expected to clear up the balance outstanding, on or before Dec. 31 next. If you don't pay then, you will be charged interest on the amount owing from Jan. 1, 1944.

### Supports Mother

My mother receives a pension of $20 a month on account of my older brother killed in action in the last war. This is her only income. Each year I contribute $180 to her maintenance and my brother contributes $450 a total of $630. My brother claims the allowances from income tax for her as a dependent. Am I entitled to some allowance, too, and how should we divide the deductions?

The pension which your mother receives, being less than $400 a year, puts her in the class of a total dependent. Accordingly, you and your brother, between you, are entitled to the full allowances for her as a dependent relative. The allowance for normal tax is $28 a year. This cannot be split between two taxpayers. One or other must take the full deduction. The allowance from graduated tax is 20% of the amount contributed, with $400 the maximum contribution for which credit can be claimed, a maximum deduction of $80. This can be split between two or more taxpayers. Thus you and your brother could each take credit for the proportion of the $80 which your specific contribution bears to the total of $630. The one claiming the $28 deduction for normal tax could also make some adjustment with his brother on the same basis. If one of you is not married but maintaining a self-contained domestic establishment in which your mother also lives, he could then claim an allowance from graduated tax of $150, subject, of course, to adjustment with the brother.

## INVESTMENTS

### Drummond St. Realty

We hold some of the 5% general mortgage bonds of Drummond St. Realty Corp.. We understand the company is doing somewhat better and would like to have a report from you as to what improvement has taken place.

Drummond Street Realty Corp., which owns and operates the La Salle Hotel in Montreal, has been able to record a marked improvement in its earning power. Hotel accommodation in all large cities is at a premium, this type of business has recorded substantial gains. In the case of Drummond Street Realty, gross revenues at $180,816 in the 1942 fiscal year were roughly double those of 1940. On the basis of last reported earnings, the company earned full interest on the 5% general mortgage income bonds. While the company's earnings have undergone a marked improvement, it is well to bear in mind that under normal circumstances there is a surplus of hotel capacity in Montreal. The income bonds are regarded as a business man's holdings.

### International Power

Will you let me have a report on the position of International Power Co.? I am interested in the company's debentures.

International Power Co.'s position has undergone a steady improvement in the last few years. The company controls a number of public utilities operating in South and Central America, the West Indies and Newfoundland. Operating properties in Puerto Rico are still in the possession of Federal authorities, steps having been taken to expropriate the property. In 1942, exclusive of the Puerto Rico returns, the company showed debenture interest earned 3.76 times. This contrasts with 3.54 times in 1941 when the Puerto Rico Power returns were included. Since 1936 the debenture interest has been earned more than 2½ times over. In addition to improved earnings, International Power's consolidated financial position also has undergone a change for the better, working capital deficit of $581,408 at the end of 1938 being converted into a surplus of $1,185,232 at the end of 1942.

# New Wartime Regulations

## Post Summary of Latest Ottawa Rulings

**Lead.** M&S Order No. M.C. 11C, Sept. 29, rescinds Order No. M.C. 11B and limits inventories of lead to 60 days' supply. Also makes provision for submission of reports by large holders, Metals Controller, G. C. Bateman.

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**Used Passenger Motor Vehicle Prices.** M&S Order No. M.V.C. 18A Sept. 29, rescinds Order No. M.V.C. 18 and provides a new schedule of base prices for various car models, together with a table from which may be calculated the ceiling price depending on the age of the car. Also puts all individuals under price ceiling regulations and prescribes form of invoice. Motor Vehicle Controller, J. H. Berry.

**Acceptance of Orders For Cartons Prohibited.** WPTB Order No. A-938, Oct. 22, prohibits acceptance of orders for sale or delivery of solid fibreboard or corrugated paper cartons between Oct. 25 and Nov. 30 inclusive. Administrator of Shipping Cases, F. C. Hayes.

• • •

**Styling Sale and Delivery of Women's, Misses' and Juniors' Coats, Suits and Sports Jackets.** WPTB Order No. A-941, Oct. 25, revokes Order No. A-859 and replaces it. Administrator of Women's, Misses' & Juniors' Coats & Suits, Harry Rother.

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**Rationed Food (Preserves).** WPTB Order No. A-943, Oct. 25, removes from the rationed list, maraschino cherries, pineapple pulp and apple pie filler in 105-oz. containers or larger, solid pack canned rhubarb, sorghum syrup and molasses, and apple butter. Also declares baby foods containing fruit as added to the list of rationed items under preserves. Deputy Administrator of Rationing, H. I. Ross.

• • •

**Fertilizer Containing Chemical Nitrogen.** WPTB Order No. A-944, Oct. 26 revokes Order No. A-519 which prohibited the use of nitrogen fertilizer for parks, lawns, golf courses, cemeteries, etc. Administrator of Fertilizers & Pesticides, G. S. Peart.

• • •

**Maximum Prices of Eggs.** WPTB Order No. A-945, Oct. 26, revokes the schedule in Order No. A-887 which sets forth maximum wholesale selling prices for eggs, insofar as that schedule applies to prices for cities and areas in Quebec and Ontario, and replaces those sections with a new schedule. Administrator of Meat and Meat Products, F. S. Grisdale.

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**Maximum Prices of Certain Fancy Meats and Meat By-Products.** WPTB Order No. A-946, Oct. 28, Section 2, clause (c) and Section 5, clause (c) of Order No. A-849 deals with sale of raw, uncleaned, inedible tripe. Administrator of Meat and Meat Products, F. S. Grisdale.

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**Used Steel Shafting.** WPTB Order No. A-947, Oct. 28, revokes Sections 1 and 4 of Order No. A-626. Administrator of Used Goods, S. Godfrey.

• • •

**Used Metal Pipe.** WPTB Order No. A-948, Oct. 28, revokes Sections 1 and 4 of Order No. A-625. Administrator of Used Goods, S. Godfrey.

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**Maximum Prices of Jams and Jellies.** WPTB Order No. A-933 revokes and replaces Section 3 of Order No. A-787, and revokes and replaces clause (c) of Section 4 and clauses (c) and (d) of Section 5 of the same order. Section 10 is revoked as is Schedule "A" replaced. Administrator of Processed Fruits and Vegetables, F. D. Mathers.

# U. S. Woodpulp Stocks Continue to Decline

Stocks of purchased woodpulp in the United States as reported in the American Paper & Pulp Association for Oct. 1 showed a decrease of some 13,000 tons from the comparable figure for Sept. 1. This compares with an average monthly decrease of approximately 14,000 tons since the beginning of the year. Stocks of purchased woodpulp on hand at Oct. 1 last totalled 139,011 tons.

# Company Reports

## Pacific P. & W.

| Years Ended June 30: | 1943 | 1942 |
|---|---|---|
| Earned per share ..... | $0.50 | $0.58 |
| Paid ............... | .44 | nil |
| Working capital ..... | $41,392 | $43,924 |

(Note — Figures in parenthesis below refer to previous year's operations.)

Increased operating costs resulted in lowering the net profits of Pacific Power & Water to $12,611 ($14,441) for the year ended June 30, 1942. Gross revenues increased to $100,612 ($98,924) while charges for salaries, wages and expenses rose to $23,525 ($19,343).

Other charges remained substantially the same with the exception of income taxes which declined to $7,200 ($8,736).

This is the first full year of operations under the new capital structure resulting from redemption of preferred shares and increase in the number of common shares to 25,000. Funded debt of the company was reduced by $10,500 to $239,000. Earned surplus at June 30, 1943, amounted to $18,659.

## Western Canada Flour

| Years ended July 31: | 1943 | 1942 |
|---|---|---|
| Earn. per share (pref.) | $5.33 | $8.98 |
| Earn. per share (com.) | d0.21 | 0.44 |
| Working capital ...... | $1,284,854 | $906,340 |

(Note:—Figures below in parentheses refer to previous year's operations).

As a result of income tax provisions, net profit of Western Canada Flour Mills for the year ended July 31, 1943, was substantially reduced to $128,710 ($216,562) before including in it $180,000 refundable excess profits taxes.

Under a new Order-in-Council refundable excess profits taxes for the current fiscal year will be substantially reduced, D. I. Walker, president, states. The reduction will be in consideration of stabilization funds received from the Government under price ceiling regulations.

Depreciation, the president noted, is continuing at greater than normal rates due to the company operating almost at capacity. It is the view of the directors that a special reserve should be allowed for this, since complete maintenance is, under present conditions, impossible.

Operations of the company's subsidiary, Purity Bakeries, the president reports, has shown continued improvement and reduction in the guaranteed bank loan was effected. An increase in current assets of about $600,000 was the result mainly of increased accounts receivable, and also of larger inventories. Current liabilities increased by a much smaller sum, the principal item, partially offset by others, being the $400,000 decrease in bank loans to $1.4 millions.

The president also remarked that the entire outstanding minority share interest in the company's subsidiary, P. G. Brussière, Limiteé, had been acquired and its accounts incorporated in the consolidated statements.

## West Canadian

| Years Ended June 30: | 1943 | 1942 |
|---|---|---|
| Earn. per share (com)* | $0.14 | $0.05 |
| Paid ............... | 0.10 | 0.10 |
| Working capital ..... | $164,248 | $147,496 |

*After taking participating feature into account. (Note—Figures in parenthesis refer to previous year's operations.)

Increase in gross revenue of $670,560 ($578,664) shown by West Canadian Hydro-Electric for the year ended June 30, 1943, is attributed mainly to sales to West Kootenay Power & Light, it is stated in the company's annual report. This is largely offset by special depreciation and interest on money borrowed, however, and the improvement in profits before taxes to $112,294 ($103,539) is really due to increase in revenues from regular customers, the report states.

The construction program, initiated in 1941, was completed except for some minor additions. The new unit has been operating since February. "The total cost of this program, including the second unit at Shuswap Falls, the storage dam at Sugar Lake and the necesssary substations, transmission lines and so forth has been nearly $675,000," states Ross Peers, president, in his report. "No major developments were commenced during the past year nor are there any under consideration for immediate construction."

The year under review saw no important changes in the company's financial position. Since June, however, $450,000 of 4½% 1st mortgage bonds have been issued. Proceeds have been used to liquidate the loan ($182,466 at June 30, 1943) created for new construction purposes and for retirement of the entire issue of $204,000 Okanagan Telephone Co. 4½% 1960 debentures.

"Plans are now being carefully considered for the postwar period," Mr. Peers stated, noting that new construction has doubled the company's output, excess of which is now being sold to West Kootenay for war purposes. After the war the company will be in a favorable position to look after all requirements.

# Power Demand Touches Peak

## Consumption to September Far Above Any Like Period on Record

From Our Own Correspondent

MONTREAL.—Production of central electric stations for the first nine months of 1943 at 29.9 billion kw.h. was over 2.3 billion kw.h. more than for the like period of 1942. A more significant comparison is that output so far this year exceeds that for all of 1939 and equals that for 1940.

For the nine months, consumption of primary power at 26.3 billion kw.h. contrasted with 23.9 billion kw.h. for the same period a year ago.

With the exception of New Brunswick, which earlier in the year suffered a water shortage, all the provinces report greater primary power consumption. Outstanding was the increase reported by Quebec which, during the nine months' period, consumed half of the primary energy used in the whole Dominion.

Consumption of Primary Power
(Thousands of Kilowatt Hours)
January-September

| | 1943 | 1942 |
|---|---|---|
| Prince Ed. Island .. | 7,374 | 6,938 |
| Nova Scotia ........ | 413,662 | 357,790 |
| New Brunswick .... | 317,734 | 327,782 |
| Quebec ........... | 13,143,470 | 11,077,969 |
| Ontario ........... | 8,704,802 | 8,647,161 |
| Manitoba .......... | 899,278 | 809,472 |
| Saskatchewan ...... | 510,069 | 463,291 |
| Alberta ........... | 382,150 | 324,118 |
| British Columbia .. | 1,908,738 | 1,886,470 |
| Total ........... | 26,287,277 | 23,900,991 |

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THE FINANCIAL POST
Canada's Foremost Business Newspaper
Toronto, November 6, 1943

# War's Effect on Workers

## Don't Overrate the New Skills Acquired During War Says Industrial Engineer "De-skilling" of Jobs to be Continued Trend

By RALPH PRESGRAVE

**Ralph Presgrave, author of this, the first of two articles, is vice-president of J. D. Woods and Gordon, the Canadian firm of industrial engineers. Mr. Presgrave was born in England, came to Canada as a youth, graduated from the School of Practical Science, University of Toronto. Since then he has produced many authoritative papers and lectures on industrial engineering and has been honored by the American Society for the Advancement of Management. The industrial engineer was once regarded as the doctor of sick business. Most firms now look on industrial engineering as preventive medicine. They consult these doctors to keep well.**

Much has been said and written about the tremendous effect war is having on the Canadian industrial worker.

This is an attempt to measure that effect; to appraise what our wartime industrial experience is doing for the worker's skills; for his future working habits; for his attitude toward his job; for the future of industrial relations in this country?

Were exoticisms such as huge but ephemeral war industries typical of the industrial trend, there might be some justification for believing that something new has been added.

Inevitably, war and its attendant mushroom developments, have had a stimulating and a revealing effect. But, broadly and fundamentally, nothing new has been introduced and the most one can say is that war has accelerated trends that were already in existence. In some instances the acceleration has achieved a momentum that will carry the trend surging undiminished into the postwar years. In others nothing more than a temporary spurt has resulted.

### Two-phase Subject

The subject of postwar labor resolves itself into two distinct phases. The first refers to the skills and abilities of workers and the effect of war upon them. The second refers to the personalities, the psychological elements involved, and their development during and after the war.

The first is far less important than might be suspected. Undoubtedly war has brought us, or has enabled us to train some people in certain trades that were not before plied in Canada.

More important still, some of our top technicians have learned much that is new. Both these processes were going on continuously before the war. The war has speeded them up.

But let us not delude ourselves into thinking that suddenly we have become a nation bubbling over with new and mysterious skills in the hands of millions of our workers. The sum total of the new, or secret trades, is relatively negligible.

The truth is that there has not been a time for many years when Canadians could not take any new technology in their stride. That they have not done so has been because of economic conditions and not because of lack of skills.

### War Conditions Artificial

Furthermore, one should not view the huge war industries too optimistically. What can exist under the artificial conditions of war may be totally impractical in peace. Many of these "new skills" (if, in truth, they are such) will prove useless.

For instance, we are learning to produce airplanes in relatively large quantities and in considerable variety. Yet few would prophesy that there is any future for such an industry in Canada in competition, for instance, with Britain or the United States, either of whom can produce in a month enough airplanes to fill peacetime needs of the entire world for a year.

Obviously, thousands now working in airplane factories will almost all have to seek other occupations in which their skills will be of little use.

The same is true of most of the war industries. A few people will have learned how to handle machine tools and will be able to put their training to some use. Many will not be able to find use for their skills.

### No New Skill to Sell

Most will discover that they have actually no new skill to sell. The trades learned by those in the armed forces will be useful to some, but it goes beyond optimism to expect that specific civilian jobs can be found for all the pilots, radio-men, auto-mechanics and such, most of whom will have to learn to do new jobs, or will return to their original work.

While discussing the subject of skill, it should be remembered that we have witnessed a tremendous reverse trend which far outweighs in national importance the acquisition of skills.

This phenomenon is the widespread and persistent de-skilling of skilled jobs and the de-bunking of pseudo-skilled jobs.

Passing through a huge arms plant and seeing thousands of girls operating vastly complex machines, the layman is likely to assume these girls have been taught wonderful skills. This opinion is increased when one sees the delicacy or intricacy of the final product.

The fact is that only a very small proportion of the operations in modern munitions plants calls for anything that could be dignified by calling it a skill.

### Machines Are Ingenious

Operations have been so completely divided and machines so ingeniously contrived that little demand is made upon the dexterity or intelligence of the operator. Most jobs in war plants can be learned in a matter of hours.

In addition, the war has forced us to examine critically many of the jobs that tradition has led us to regard as highly skilled. We have found that in very many cases the skill was not nearly so great as was supposed and women have been able quickly to take over jobs that were considered to call for men of long training.

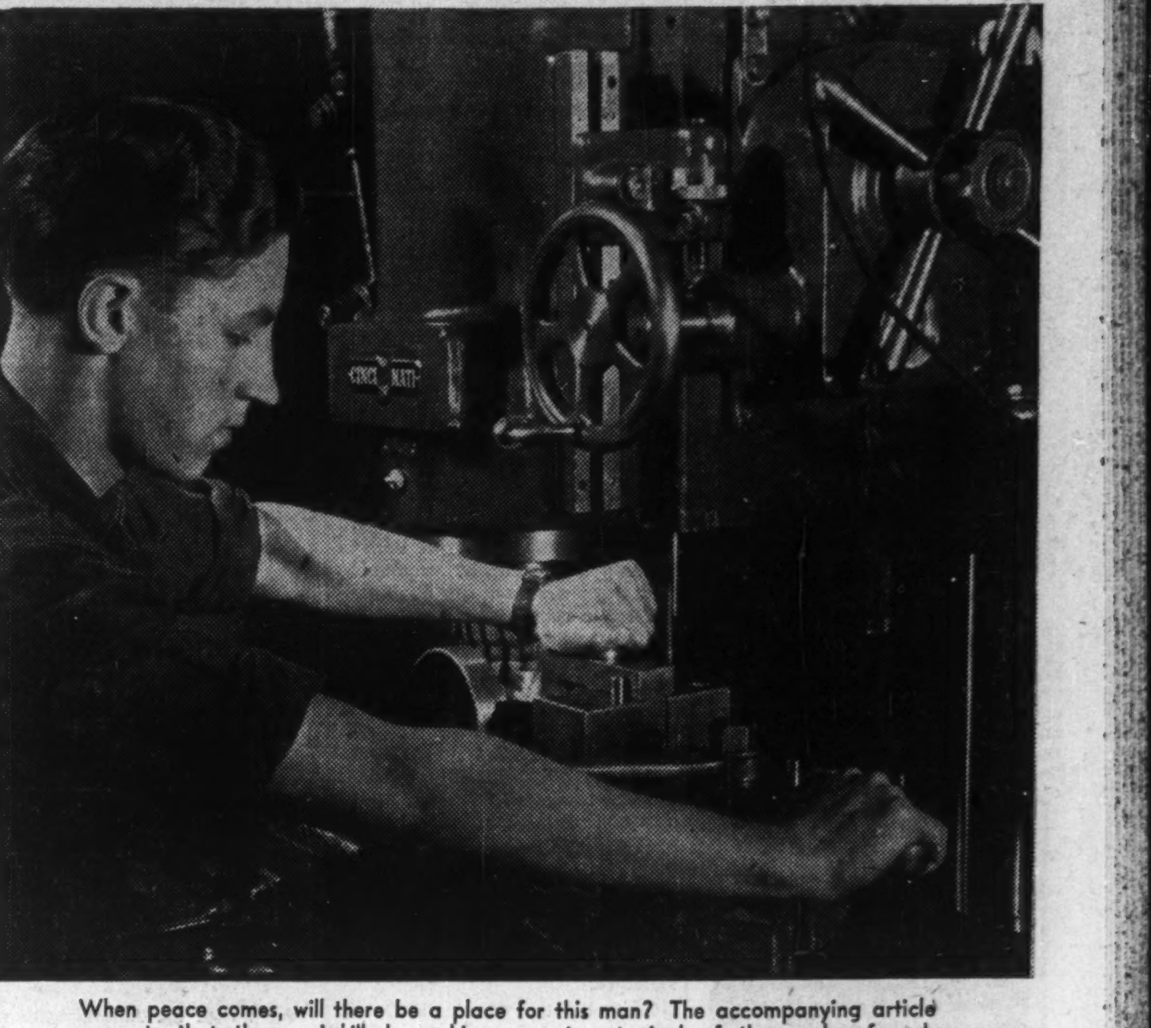
Again, this "de-skilling" of industrial jobs is merely acceleration of a trend that has been going on for many years. More and more, jobs have been simplified and real skills have been required by fewer and fewer people. Women have been steadily encroaching on man's domain.

Undoubtedly it has grave portents for the future. One would expect it to mean a uniformity of earnings for the great majority of the workers, with fewer being able to demand higher wages because of higher craft skills. Undoubtedly, it also carries far-reaching social implications, which cannot be assessed here. It is inevitable and in the long-run should prove beneficial.

We may be confident that regardless of what new skills may be needed, what new skills may have been acquired, what old skills may have been broken down, Canadian industry and Canadian workers can meet any technological challenge with confidence. That we may not do certain things will not be because of our inability to do so, but because they would be impracticable under conditions here.

As far as Canada's future goes, we can forget entirely the question of skills. It is almost irrelevant.

But not so the less tangible matter of the relationships between worker, owner, manager and consumer. Despite the fact that war has accelerated trends in the difficult techniques of industrial relationships, we shall enter the peace years with not a little to worry about as well as much to hope for.



When peace comes, will there be a place for this man? The accompanying article suggests that the semi-skilled machine operator, typical of thousands of such warworkers, may find his recently acquired trade of little postwar value.

Here again we find no new thing, but we do find a great deal that was largely ignored and has now been rediscovered and widely publicized mainly because of its use in the large war industries.

Nearly all the great mushroom industries have found themselves sadly lacking in the methods and relationships that the older industries have achieved through long years of experimentation and tradition.

To achieve some corporate structure, some business personality, they have been obliged to attempt to create loyalty, unity, a sense of "belonging," by quick and artificial means. Similarly they have had to build trained staffs quickly and not through the slow trial-and-error methods of peacetime.

Thus, we have had a spate of morale-building and employee-training programs, all utilizing techniques which were not new, but which peacetime industry with its usual conservatism nibbled at very cautiously. Now that we have become more familiar with them, we shall undoubtedly continue to make growing use of such plans as we shall mention in a moment.

But there are one or two aspects of the war economy which are cause of much concern in some quarters.

First is the growing employment of women in industry. The trend, already in existence since before the Industrial Revolution, was given great impetus by the Great War and has been pushed beyond all expectations by the present war.

The tide will ebb as soon as the war is over, when housewifery is resumed, but it will not recede to pre-war levels and we may take it for granted that it will be difficult for men to oust women from many jobs that were once considered male preserves. Many an employer will be reluctant to go back to male staff on jobs that women have so ably undertaken. Women in war plants have not displaced men. They have added to the labor supply. But in civilian plants they will likely create a serious problem.

This will not be a problem of industry as such, if we regard industry merely as machinery run by people and largely committed to a philosophy of producing goods at prices low enough to attract as many consumers as possible.

There appears to be little doubt that the only jobs which women cannot perform as well as men are those in which physical strength is a major factor. And mechanization is rapidly eliminating these jobs.

The problem is a social problem not to be settled by any quick formula. Many aspects of it will unfold within the next few years. The first phase will be the eagerness of employers to take advantage of the lower wages for which women will work. Conceivably this may create so grave a situation that legislation may intervene to prevent married women from working, to raise the school-leaving age, to force women's wages up to men's levels, or, conversely to force men's wages much higher than women's.

The problem will be well-nigh insoluble so long as we maintain our traditional system in which the man is the supporter of the family. Russia has arranged it differently, but we are not likely to make any real change in our social set-up and the problem of women encroaching on men's work and thereby tending to debase the whole wage level will be with us for a long time, only partly solved by the introduction of palliative legislative measures. As I have said, it is not likely to affect us industrially. As a social problem, it is outside the scope of this article and in any event could not be argued out in a month of Sundays.

**In the second of two articles Mr. Presgrave will discuss the means whereby in his opinion a more satisfactory situation for all can be achieved; how industrial relations can be stabilized.**

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LONDON CALLING by Adelphi

# Moscow Meeting Pleases London And Gives Boost to Eden's Prestige

By ADELPHI
Cable to The Financial Post

LONDON.—There is so much good news that it has almost become routine. There is no wild elation anywhere, but simply quiet gratitude that things are as they are and realization that stern hard days lie ahead even when fighting in Europe stops. President Roosevelt's announcement that the Three Nation Conference in Moscow reached complete agreement has caused genuine satisfaction.

The advantage of Moscow as a setting for a delicate conference is obvious. The Soviet has such complete control of everything that no newspaper reporter, however astute, can send any forecast or intelligent prophecy. Russian officials just don't talk. All this has not prevented the gentlemen of the press in America and Britain doing a spot of guesswork at a distance. But the public is not impressed. It is ready to wait for details from official sources. Presumably Churchill will tell the House of Commons about it this week. Perhaps Eden will be back and may also speak, although it does not always follow in British politics that the man on the spot tells the tale. Duff Cooper was at Singapore, and we are still waiting for his story.

* * *

Eden's prestige will be enhanced by this success. Oddly enough, he has always been a success in Moscow. Say "oddly," for one can hardly imagine a politician less like the Russian school than our slim, elegant, still youthful Foreign Secretary. Eden's prestige needed a bit of polish to make it shine at its usual lustre. The Tory party had become a little restive at the way in which members of Eden's political circle were being promoted to ministerial rank. There is no suggestion he did not believe they were the best men available, but the party thinks he could have found one or two that were better if he had looked a little farther.

Presumably Russia's postwar territorial claims were not discussed at the conference. This ticklish topic will probably be saved for the great occasion when the Big Three—Churchill, Stalin and Roosevelt—look into each other's eyes and chart the future of Europe. Some of the political experts in London—and experts are sometimes right—say that Russia will propound the theory that it is illogical to recognize sovereignty of states which are so small they cannot maintain that sovereignty against the threats and machinations of bigger powers. Therefore, say the experts, Russia will propose that the Baltic and Balkan States should come into that zone of Russian influence, that Russia would guarantee their security, that they should be completely independent and free except that they would have no foreign policy.

In other words, they would control their internal affairs, but in external matters would accept the broad overriding foreign policy of Russia. This would be a large pill for the fiercely independent people of Central Europe to swallow. But it might prove a long-term bulwark against wars.

It may be that Russia has no such plan in mind. But certainly the Balkan representatives in London believe she has. Shall we leave it by saying that probably Russia has considered some such thing.

* * *

The new Russian Ambassador who came from Ottawa to London turned up in force for the Tschaikowsky Orchestra Festival at Albert Hall last Saturday. He arrived with 17 of his Embassy staff. On Sunday afternoon he went to Adelphi Theatre to hear the London Philharmonic Orchestra which has appointed as its permanent conductor a Russian, the first permanent one since Beecham.

Tschaikowsky has had a great wartime boom. He went out of fashion in London about 15 years ago when the Wagner boom was at its height. Tschaikowsky was regarded as too full of self-pity, too sentimental, too easy to understand. Perhaps it is our own self-pity which has made him our chief poet of music in the war. Wagner is completely out except for the occasional playing of the Meistersinger Overture.

* * *

Herbert Morrison continues to hold the limelight at Westminster. Last week he produced the Workmen's Compensation bill. According to his critics, Morrison took the attitude with the House of Commons that the Government had concluded a satisfactory deal with the trade unions and, therefore, there was nothing for the House to do but automatically accept it. This resulted in formidable rebellion from a body of Socialists, while Beverley Baxter roused minor rebellion among the Government supporters. Baxter led three mutineers into the opposition lobby as a protest against the way in which the Home Secretary had treated the immemorial dignity of the House. The Socialists split as usual. Trade union M.P.'s supported the Government, while the rest voted against it. There were stormy scenes and Morrison was very angry. Indeed the incident has hastened the impending break-up of the coalition.. It is felt now by many M.P.'s that the emergency situation of 1940 necessitated an all-party government, but that the acuteness of that situation has now passed. All coalition governments suffer from the spiritual compromise imposed upon its members. Socialists are becoming more and more restless. Experts are predicting a general election in the spring.

At the end of last week the irrepressible Morrison addressed the Fabian Society and once more argued that necessity of retaining a large measure of the existing controls after the war and nationalizing many essential industries. He admitted there was a place for private enterprise, but that the Government must have an industrial and labor policy which would direct the activities of private undertakings.

* * *

As usual, The Times which is now to be counted as an organ of the academic Left praised the speech, while Lord Camrose's Daily Telegraph warned the nation to be on its guard. Morrison will undoubtedly command the support of the parliamentary group known as The Young Tories, led by Viscount Hinchingbrooke. While some of this group are young both in years and political understanding, it also includes such veterans as Lord Winterton and Lady Astor, But then even the Young Turks before the last war had many ardent grey beards in their camp.

The brain centre of this group is Quintin Hogg, son of Lord Hailsham. Ex-lord Chancellor Hogg is young, nimble, eloquent, pugnacious, audacious. He has had legal training and is at his best when attacking the cumbersome language of Government bills. These young Tories see in themselves the reincarnation of Disraeli's Tory democracy. The rest of the party regard them as dangerously Fabian in outlook. At any rate you will see that there are signs of spring at Westminster even in the period of November mists.

* * *

### Color Question

A huge crowd at Albert Hall saw the Canadian, Al Delaney, beat the Englishman, Al Robinson, on points. The decision was very close and Delaney only got it by rallying his waning strength in the last round and scoring with some good blows to Robinson's anatomy. I am afraid Delaney has passed his prime which is a pity because he has plenty of courage and ringcraft. Oddly enough, the program created something of a political embarrassment. A Negro boy from Jamaica, Soldier Lefty Flynn, beat Welterweight British Champion Roderick, also a soldier and obviously undertrained. Although his was only an exhibition fight, Flynn earned the moral right to challenge Roderick for the British title. Unhappily, the colored boxer can hold Empire title (which has little box office value), but cannot hold the British one. This is bad business at a time when colored men are volunteering to fight in the war. If America can recognize the rights of colored fighters, such as Joe Louis, to hold national boxing titles it is being argued that Britain, having no color problem, should raise the unnecessary and unhelpful ban. As they say over here, "A question will probably be asked in Parliament."

Fifth Victory Loan

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# Our Precarious Coal Situation Aggravated by Latest Strikes

OTTAWA—Nothing could better illustrate the present and precarious position of the nation's 1943-44 coal supply than the strike events of recent days.

Until mine-workers went on strike in Alberta, B.C. and U. S. fields a few days ago, Canadian officials were beginning to breathe a little more easily and feel that prospects for 1943-44 were not too discouraging.

Now the loss of tonnage in the Canadian west and in the U. S. mines, if it persists long enough, upsets the balance and may cause real hardship.

### On Fine Balance

In short, the coal supply situation hangs this year on a precariously fine balance which may easily be topped one way or another depending on: strikes, severity of the winter; transportation, difficulties.

Ottawa officials believe Canada has never entered a winter when there was better co-ordination and organization to meet the exigencies of a mounting wartime emergency demand for fuel. Not only have plans been laid with the greatest care to avoid or remove bottlenecks, but it is thought that the public has been carefully prepared both for conservation and for action which will make the best possible use of whatever tonnage is available.

### Distribution a Problem

Apart from the three factors mentioned above—strikes, weather and transportation—the most serious problem will probably be that of local distribution: that is seeing that what coal there is in the country is kept moving to individual communities and also delivered to the householder in time to meet his needs. Appointment of nine regional authorities to deal with this distribution is expected to ease this problem and decentralize the job to the point where it can be most easily and effectively handled.

So far as actual tonnage is concerned, it is reported here that up till now, Canada has actually overtaken the loss of tonnage due to a late start this spring, and is now slightly ahead of the corresponding position a year ago. Conservation, industrial savings and the return of a considerable number of men from industry and the armed forces to their places in the coal mines, had also eased the situation considerably from what it was six months ago.

### Canada's Needs

Canada's coal fuel requirements this year are placed at 47 million tons. This is 3 million tons more than last year.

Production from domestic mines is estimated at 17½ million tons; the balance must be imported from the United States.

Of the 29½ million tons expected from the U. S., five million will be anthracite—the total supply, for Canada does not produce this harder type of coal.

Washington has limited the Dominion to 90% of last year's anthracite import. This is one reason why domestic and other users have had to be limited as to the amount of hard fuel they may burn this winter.

Provided the soft coal strike in the U. S. ends quickly, 24½ million tons of bituminous or soft coal will be brought into the country.

### Supply Balance Delicate

The balance between supply and demand is extremely delicate. If Canada's own production comes up to expectations and the expected volume of imports from the U. S. is realized, then Canadians will get through the winter without suffering from the cold.

If arrangements do not work out in their entirety, then many Canadian homes may be chilly this winter.

A recent Gallup Poll showed that only one out of every four Canadians had enough coal for a full winter's supply. Another one in four had no coal at all.

This is better than a year ago, when the coal situation was less of a "national emergency" and few people took the trouble to stock up with a full winter's supply.

### Three Distinct Markets

In the event of an actual coal shortage not all areas of the Dominion will be affected to the same degree. Coal-wise Canada is divided into three distinct markets. The maritime provinces have their own coal deposits and there the question of an adequate fuel supply is tied in directly with production.

Not so long ago a large amount of Maritime coal found its way into Quebec and as far West as Kingston. This year practically no Maritime coal will move into this area; certainly not for ordinary purposes.

Maritime production is absorbed almost wholly by local markets. It is not that local demand has increased so greatly, as it is a case of providing coal for ship bunkering purposes. This need takes a high priority which, after being met, leaves barely enough coal to care for Maritime industrial and home needs.

On the Prairies and the West coast, the situation is similar to that prevailing in the Maritimes. The mines in British Columbia, Alberta and Saskatchewan, supplemented to some extent by natural gas and oil, ordinarily provide sufficient fuel to take care of local needs.

### Where Shortage Will Hit

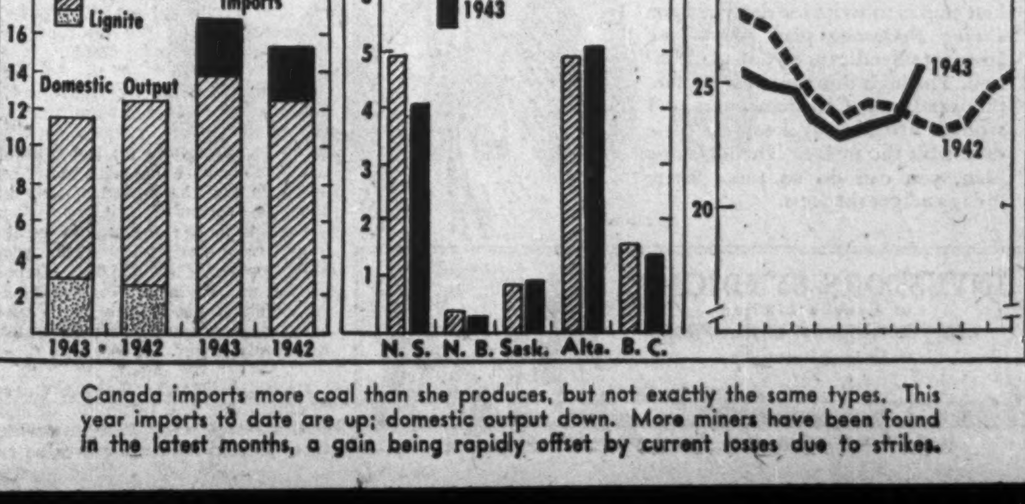
But from neither the Maritimes nor the West will there be any fuel to spare for the two central provinces of Quebec and Ontario. If there is a shortage of fuel, it is this area which will have to take the brunt of it.

Lacking native coal resources, these provinces are entirely dependent upon imports.

If Washington is unable to let Canada have the 29½ million tons allocated because of strikes or other conditions, then Quebec and Ontario home fires are going to be rather low this winter unless some means are found to make Maritime coal available.

The latter prospect is extremely doubtful. In 1939 about 9,500 men were digging coal in Canada—actually producing coal, not just working in a mine. Today there are only about 7,300.

Selective Service has taken steps to return to the mines coal miners who have found work in other industries. The Department of National Defense has given special leave of absence to miners in the armed services. Despite these moves, the number of men actually returned has been so small as to make no material difference in the tonnage mined.




Canada imports more coal than she produces, but not exactly the same types. This year imports to date are up; domestic output down. More miners have been found in the latest months, a gain being rapidly offset by current losses due to strikes.

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THE WASHINGTON LETTER

# Exchange Unit, Credit Machinery Foremost Postwar Washington Topic

- U. S. May Control Wheat Distribution
- Failure to Provide Substitute Brings Sales Tax Nearer
- Synthetic Rubber Program Eases Shortages
- Paperboard Lack Cripples Distribution

By LAWRENCE SULLIVAN

WASHINGTON—Effective organization of international credit machinery, emerges as one of the foremost topics in Washington's increasing attention to postwar stabilization.

Two reports recently have been published by the Monetary Standards Inquiry, a non-government enterprise sponsored by leaders in the New York financial community. Both demand a monetary and financial order consistent with the elemental concepts of the free enterprise system. Principal criticism here against the Keynes plan is that it accepts economic totalitarianism as its starting point.

In addition, the Treasury has submitted to Congress a plan for a universal currency system, to be operated through existing central banks, and based upon pegged values in existing national currencies. These plans have been coolly received in Congress, where there appears to be growing sentiment for re-establishment of a gold exchange standard.

Representative Charles S. Dewey (Illinois), Assistant Secretary of the Treasury under Coolidge and later financial adviser to Poland, recently outlined a world bank plan not unlike the Bank of International Settlements, but equipped to issue exchange certificates based upon raw materials as well as metal standards. In brief, the bank would be authorized to use raw materials as the basis of either capital accounts or deposits. Loans would be made through warehouse certificates.

* * *

●Plan for effective government control over U. S. wheat distribution for the rest of the current crop year has been presented to the War Food Administration by the Flour Milling Industry Advisory Committee. Aim is to allocate supplies to basic uses on a percentage basis, to assure adequate milling wheat before industrial alcohol withdrawals and animal feeds.

The present U. S. wheat budget contemplates a carry-over next July of something less than 200 million bushels, hardly enough for mill and distribution inventories at current disappearance rates. Because of the disparity between retail ceiling prices on wheat food products and the raw grain, millers are squeezed between wheat prices and flour ceilings.

The War Food Administrator favors a flour subsidy rather than higher bread ceilings. Congress has reaffirmed its position against food subsidies. Meanwhile wheat continues to flow in great volume into industrial processing plants, with the growing threat of a flour shortage before another crop is at hand.

Canadian wheat stocks already have been drawn upon heavily for U. S. animal feeds, and further demands upon this source are likely.

The 1944 wheat planting area in the U. S. already has been expanded from 55 million to 67 million acres.

* * *

●Although the Administration is resisting stoutly growing Congressional sentiment for a 10% sales tax, the failure of the House Ways and Means Committee to provide alternative revenues appears to have advanced the sales tax by a long stride. The House Committee's preliminary draft on the 1943 bill, gives only about $2.5 billions additional revenue against the $10 billions demanded.

A Treasury study of sales tax results in the United Kingdom, Canada and Australia indicates that a 10% levy in the U. S. would yield approximately $7 billions a year. But the fear is expressed that the resultant abrupt advance in the cost-of-living index would at once unleash a new wave of wage demands, and thus undermine the whole hold-the-line effort.

Living costs have been stabilized for the last three months for the first time since 1939. The outcome will perhaps be a 5% general sales tax, with certain broad exemptions on basic foods and clothing.

* * *

●The U. S. synthetic rubber program, now about 75% complete, involves about 20 distillation and chemical extraction plants, scattered from Massachusetts to Texas and Southern California. They will have a combined capacity of 850,000 long tons of chemical gums a year, or approximately 200,000 tons over the U. S. pre-war consumption rate. The whole system will be in production during the first quarter of 1944, says Bradley Dewey, Rubber Director.

There will be no appreciable relaxation on civilian tires but the new capacity assures adequate rubber for military schedules, lend-lease requirements, and essential industrial uses, without further withdrawals from the United Nations stockpiles of natural rubber. Remaining natural stores will be conserved for mixture with the new synthetic rubber in those commercial products which require the blend for maximum efficiency.

The most urgent demand is for heavy truck tires to carry the war industries through the winter. Several thousand heavy trucks have been taken from the road every week recently for want of rubber. Yet the load on the trucking industry has increased by 15% during the last year.

* * *

●Paperboard has emerged recently as the most difficult problem of management in the field of distribution, with the threat often heard that this line or that is temporarily crippled, not for want of basic raw materials, but for lack of shipping containers.

Army and navy specifications require approximately twice the paperboard used on civilian shipments of equal tonnage. This factor was overlooked for a time in making the over-all allocations of available pulp materials.

About a month ago the pinch began to be felt. A re-use campaign was organized hastily by the principal food industries. It has yielded notable results in salvage and conservation.

The plastics industries are turning their laboratory staffs to a systematic quest for synthetic container materials, or to substitute packaging fibres.

* * *

●Aluminum was made available for a limited range of industrial uses this week for the first time since early 1941. At the same time WPB announced "a more comfortable situation" in aluminum as of Nov. 1, meaning that it could see sufficient new metal for all military and lend-lease schedules, plus a small carry-over for essential civilian industries.

First allocations were to refrigeration equipment, electrical equipment (but not household appliances), laboratory and technical equipment, and to repair and maintenance parts for certain industrial machinery such as bread mixers and slicers, canning machinery and transportation equipment.

The easier situation is due entirely to increasing ingot production, aided by adequate bauxite imports under the improved shipping program through the Mediterranean area.

* * *

●Socialized Medicine, or state hospitalization under the insurance plan, again has stirred up a hornet's nest, following introduction of the Wagner-Dingell Bill, which would authorize additional payroll taxes up to 5%, to sustain a national health and physical fitness program. The measure contemplates an eventual budget of about $5 billions a year, which would put every one of our 125,000 physicians directly on the federal payroll, would subsidize every one of our 1,300,000 hospital beds at the rate of $3.75 a day on a year-round basis, and still leave some $700 million for medicines, laboratory equipment, and administrative expenses.

Quite aside from economic considerations, the bill is resisted violently by the medical profession on the ground that it would destroy private practice; for the Wagner-Dingell Bill would place a federal doctor in each community, and forbid the patient's going directly to a specialist in any field without the order of the general practitioner.

# Sidestep Cut Paper Usage

### Inventory Reduction and Trimming of Orders Defers Further Cut

From Our Own Correspondent

MONTREAL.—Further newsprint curtailment in the United States appears unlikely for the balance of the year in view of the encouraging results secured by a combination of inventory reduction and trimming of orders placed with suppliers.

WPB officials, however, strongly opine that there must be additional restriction on the use of print paper, and a cut of 15% at the beginning of the year is freely mentioned.

**Use Exceeds Supply**

Though supplies of paper from Canadian, American and Newfoundland mills continue unchanged, consumption in the U. S. market has been consistently above receipts. In order to obtain a balance, the publishers have had to draw upon their reserves.

On Oct. 1 WPB ordered a 5% cut in consumption. This did not secure the desired results and consideration was given to a further reduction in November. The newspaper advisory committee, however, recommended a reduction in stocks to ease the situation. In its final approved form stocks were ordered reduced to 40 or 60 days' supply, depending upon geographical location, based on current use. This replaced the former base which was on the average use for the first six months of this year.

**New Plan Adopted**

The plan adopted will record consumption for the first six months of this year and reduce it 10% to arrive at monthly figures which give effect to curtailed allocations.

In this way it is hoped to set up a "pool" into which 20,000 tons monthly must be placed if a new curtailment order is to be avoided. It has been calculated the inventory change will save 20,000 tons monthly.

No official figures are available as to the November contribution. Unofficially it is reported contributions from the larger users already exceed the total necessary to be raised.

Meanwhile WPB has approved the sliding scale of curtailment recommended by the advisory committee to be held in abeyance so long as the alternative method works successfully. The scale runs from no reduction on the first 25 tons to 12% cut on uses in excess of 500 tons.

# Tighten Rules On Used Cars

Recent order respecting sale of used motor vehicles, which requires that invoices of sale for used cars state selling price of the car, and puts sales by private individuals under the price ceiling restrictions, is expected to reduce considerably the unsettled state of affairs prevailing in the business, according to dealers contacted by The Financial Post.

Purpose of the section which requires that an invoice state the price of the car being sold is to get around the difficulty that dealers had been writing invoices which specified the terms of sale merely as so many dollars plus another car, no prices on either car being stated. No infraction of the price ceiling was committed since the effect of this sort of arrangement was to give a smaller price on the trade-in, the more cash the buyer had to pay. The trade-in value was not immediately apparent, however, and it is now expected that many buyers will consider the price they are getting to be too low.

Many dealers now make a practice of selling only on condition that the buyer trade in his former car. Otherwise, the possibility of the customer selling his old car to a private person at or above the ceiling would have made it impossible for the dealer to get a car for less than he must sell it for. Under terms of new order such sales will continue to be permitted but the terms of sale will be clear in each case and the buyer will know on just what basis he is making a deal.

In addition, now that cars cannot be sold privately for more than the ceiling price, there is expected to be a greater tendency to sell to dealers, who will be able to come nearer to meeting the price of the private buyer. Nothing in the old order prevented a dealer from paying more than the ceiling price when he purchased from a private individual, but this would have necessitated still further reduction in the trade in allowance given upon resale.

# *Shipshaw Postwar Value Set at 40% of Outlay*

From Our Own Correspondent

MONTREAL.—Because members of the War Contracts Depreciation Board felt the Aluminum Co. of Canada's power development at Shipshaw would have a postwar value, they did not recommend the full anticipated expenditure of $62.5 millions be covered by special depreciation for taxation purposes, Mr. Justice C. P. McTague, former chairman of the board, told the House of Commons subcommittee.

This view was accepted by the Government. The company was allowed to recover from wartime profits 60% of the Shipshaw expenditure, the remaining 40% to be considered as an ordinary investment subject to normal depreciation reserves as established by the income tax branch.

**Basis of Findings**

In evidence before the committee, which meets in closed session, Mr. Justice McTague said that the board had taken its task to be the encouragement of manufacturers to spend money in assets directly required for war purposes, with the responsibility of determining whether there would be postwar value in such assets.

If the assets were considered to be valuable only for war purposes, they were written off at special rates of depreciation.

In view of the demand for aluminum, the board felt that general expenditures of the company for plant and similar purposes, estimated at $120 millions, should be regarded as a war project only, with no value for ordinary peacetime business, and—subject to certain reductions—should be written off entirely from wartime profits.

**Rule Out Items**

From the general aluminum facilities, the board ruled out for special depreciation purposes, items covering dwellings, hospitals, schools, automotive equipment and railway cars totalling in value more than $3 millions, including 445 houses for workmen and staff.

"The chief ground for refusal to allow special depreciation on these was that the board had consistently as a matter of policy refused release on this type of expenditure as being too remote to be classified properly as a war expenditure," said the committee's statement covering Mr. Justice McTague's testimony.

# Investment Notes

**Maritime Telegraph & Telephone Co.** reports a net addition of 385 stations to its system during September, bringing the total number of units in service to 58,426.

* * *

**Jamaica Public Service** interim statement for the eight months ended Aug. 31, 1943, reveals earnings of 71 cents a share on the common stock. This contrasts with 98.6% and 68.2% in the like period of 1942 and 1941, respectively.

For the first eight months of this year, compared with 1942, gross earnings were off $35,000. Depreciation and dividends on the D preferred stock were higher, with operating expenses and preference stock dividends lower.

* * *

**Consolidated Oka Sand & Gravel** bondholders are officially advised that the new securities, into which their present holdings are to be exchanged, are ready. The exchange can be effected through Barclay's Trust Co. of Canada, of Montreal.

When the exchange is complete, outstanding capitalization will consist of $268,400 of 3% non-cumulative debentures; $95,475 non-cumulative preferred stock of $5 par value; and 41,632 no par value common shares. Of the above, the bondholders are receiving all the debentures, 12,078 preferred and 25,498 common shares.

* * *

**Ottawa Valley Power Co.** has drawn for redemption $111,000 par value of its 4% first mortgage bonds, payment to be made on Dec. 1 at 103½ and accrued interest. As the sinking fund on the $7.5 millions issue became operative on Sept., 1942, indications are the current redemption will leave outstanding $7,226,500.

# Alberta Pacific Accepts Deal

Alberta Pacific Grain Co. bondholders have approved proposals submitted to them at a recent general meeting. A final stage in the purchase of control of Alberta Pacific by Algoma Grain Securities, a subsidiary of Federal Grain Co., the proposals approved allow sale of assets and securities of Alberta Pacific to Algoma Grain Securities.

By these arrangements bond principal would be reduced from $2.2 millions at June 30, 1943, to $1¾ million by surrender of bonds for cancellation. Sinking fund arrears are eliminated and the sinking fund brought up to date as of Sept. 1, 1944. No dividends are to be paid which would reduce working capital below $1.5 million.

Apparent result of the latest move will be to permit winding up of the old Alberta Pacific company, sale of its assets to the new company and distribution of any balance remaining. The sinking fund arrears are understood to have barred payment of any preferred dividends, a condition which will now be altered.

Supplementary letters patent has been issued to Algoma Grain Securities under date of Sept. 28, changing its name to Alberta Pacific Grain Co. (1943) Ltd.

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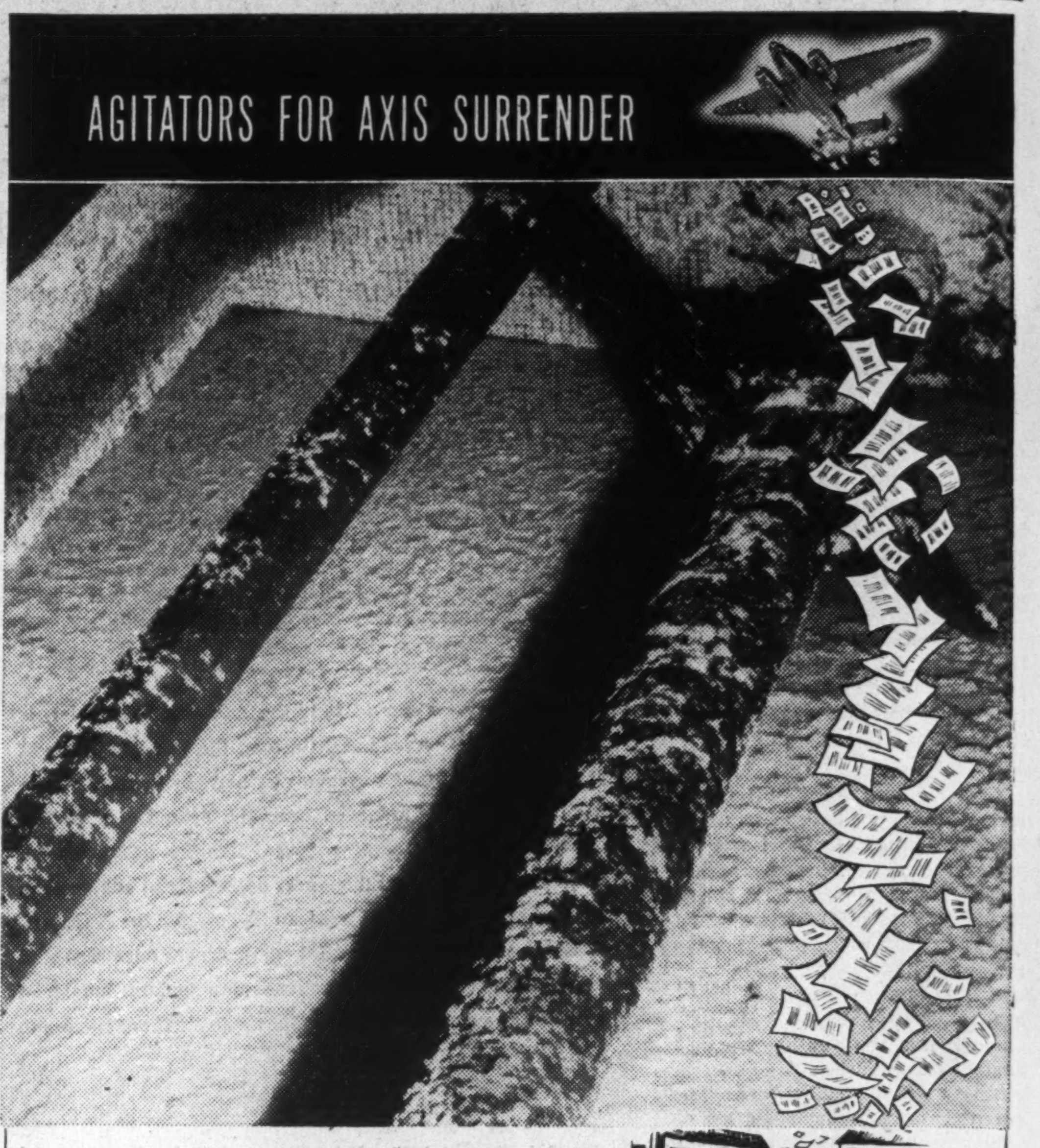

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**B. C. Politics**

# Coast Regime Lacks Harmony

## By-election Losses, Party Friction, CCF Actions Confusing

From Our Own Correspondent

VANCOUVER. — Although Premier Hart's Coalition Government is not required to call an election until 1945, political circles in British Columbia are deeply stirred these days as a result of a series of developments indicating that harmony among the Liberals and Conservatives is far from perfect,

Loss of two government ridings in by-elections, the growing popularity of the aggressive CCF, and friction among old-line party spokesmen have complicated the situation.

Organization for a possible federal election in the near future may aggravate the crisis in the coalition government. Desire of the Conservatives and the Liberals to maintain party solidarity in the federal field may become embarrassing at such a time.

**Split Campaign**

In previous national elections members of the B. C. Cabinet have taken an active part in the battle, speaking at campaign meetings in favor of the parties they happened to represent. If members of the Hart Coalition feel impelled to continue the tradition, some ministers will be speaking for the Liberals and others for the Conservatives. Such a situation will certainly do anything but cement good feeling and may weaken the position of the provincial coalition.

The Victoria Times started the present controversy by reporting that a "United Progressive" party was being organized ostensibly to support the coalition. The Premier and other members of his Cabinet denied knowledge of such a movement, whereupon the retiring president of the Victoria Progressive Conservatives declared the coalition should be dissolved and that the two old parties should re-establish their separate entities.

**The Example of Mr. Drew**

A few stalwart Tories have been encouraged by Premier George Drew's decision to carry on with a minority in the Ontario legislature, and some Liberals have begun to wonder whether ex-Premier T. Duff Pattullo may not have been right when he spurned coalition and advised the Liberals after the last provincial election to try to carry on along straight party lines.

On the other hand, many realists are convinced that coalition was and has been the only hope of heading off the CCF. Moreover, many practical-minded politicians as well as representative businessmen feel certain it is in the best interests of the province as well as of the two old parties to forget their party labels forever, so far as provincial activities are concerned anyway, and make coalition a permanent alliance of all those forces opposed to Socialism.

The Vancouver Province strongly favors perpetuation of the coalition. "It is now a question of maintaining the coalition or reverting to the practice of past years," states The Province, "when favored men and interests fed sumptuously at British Columbia's expense. That was the state of affairs under party government. We have made a start and a good start in getting away from it. Should we turn back or endeavor to consolidate what we have?"

The Vancouver News-Herald, claiming a majority of the people are against socialism, declares that British Columbia today has a coalition government giving the best administration since Confederation and offering the opportunity for all opponents of Socialism to fight on a united front.

The same newspaper suspects that opportunity may be lost by "the undermining tactics of the Federal Tory party, financed by the big interests and inspired to action not for the welfare of the province, but for federal partisan purposes."

**A Tory Delusion**

And the News-Herald adds:

"The delusion that the Tory party on its own, backed by big money, can win this province against the CCF, is so absurd it would be funny, if not so grievous in its consequences. Whom the gods would destroy they first make mad.

"What is going on leaves John Hart no choice. He is the leader of the Liberal party and he must organize that party at once to its capacity, be ready to adhere to the present alliance if the Tories will stick, and be ready to go it alone if that becomes necessary."

The Victoria Times appears to support this plan, too, and that, in the editorial opinion of the Vancouver Sun, is "completely wrong." The Sun adds that the evident change in the sane and sound outlook of the coalition cause in this province has been due to federal interference and Mr. Bracken's belief that the situation in B. C. is "embarrassing."

**New Deal for B.C.**

"This province is going to have a new deal," asserts the Sun. "Either it will be by way of a rejuvenated coalition, bringing social reforms and a moderate application of government ownership in utilities like the B.C. Electric, or we shall be the first province in Canada to swing into the abrupt revolution of the Socialist schedule with its train of ruthless experiments.

"There is no room in B.C. for bickering between the walking ghosts of Liberals In and Conservatives Out that bedevilled our politics for so many years. Mr. Hart has one duty to perform and it is to devote himself 100% to coalition."

**VICE-PRESIDENT**

S. Casey Wood, Jr., formerly executive assistant of International Business Machines Co., Toronto, who has been appointed vice-president of the company.

# Sees New Role For Bargaining

### May Slow Drift Toward Political Experiment, Says J. C. Adams

While acceptance of the principle of collective bargaining recently had become fairly general among employers, acceptance was not yet wide enough, J. Clifford Adams, K.C. last week told the Association of Canadian Advertisers in annual conference in Toronto.

He thought collective bargaining should be as much an aim of responsible management as it already was of trade unionism. Moreover, he could foresee it as a brake on trends toward political experiment.

Mr. Adams, general counsel of the year-old Central Ontario Industrial Relations Institute, etc. (representing labor as well as management), formerly was chief executive officer of the Ontario Regional War Labor Board and a solicitor in the provincial Department of Labor.

It was his insistence upon collective bargaining as a basic principle of responsible private enterprise and as a defense of "our way of life" that stood out among Mr. Adams' definitions. He called it a ready and effective means to labor stability and orderly progress.

"If the industrial employer as a class has not heretofore properly exercised his stewardship of property, the industrial worker has a right, which he apparently intends to exercise, to see that a higher standard of stewardship is required in the future," he said.

The speaker contended the time was approaching when "the public will demand, as evidence that your conditions of labor are just and equitable, the production of a written agreement between the employer and a trade union, which represents your employees and which they have chosen freely to do so."

**John Inglis Co.** Toronto, has informed shareholders that an annual general meeting is to be held Nov. 5 to receive the report for the year ended March 31, 1943, elect officers and directors and transact any other business.

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# May Be Small Pack of Beans

### Cost and Tin Size Limits Pack of Baked Beans; Less Corn and Tomatoes

Order releasing tin for the canning of baked beans and spaghetti: limits cans that can be used to the 20-oz. tin that is no longer used to any extent by the trade. Result in that manufacture of baked beans and pork and beans will be limited to stocks of this size tin still on hand from previous years.

Estimates of the number of cans that will be available come to about one third of the 1941 pack of beans plus some cans for spaghetti, or about 1 million cases. Some doubt is felt by the industry that even this amount will be packed unless WPTB adjusts prices to make profitable production possible. Since the time when the ceiling was established costs have increased, including a rise in the price of beans. There was a good crop of dry beans this year.

Reports on the pack of corn are not yet in, but a fair pack is expected. Some estimates put present year's production at about ½ million cases below last year's $1.8 millions. The corn crop was very late this year, much having been put in after tomatoes had been washed out in the spring. Yields were poorest in Quebec.

Unfavorable conditons dogged the tomato crop this year, with generally poor crops in Ontario and especially in Quebec. While B.C. and a few Ontario localities had good crops it is expected that there will be from 2 million to as low as 1.5 million cases of tomatoes packed, compared with last year's 2.2 millions. Shortage of labor, however, has made it necessary to put much of the crop into tomato juice, where less labor is required, and it is expected that this year's pack will be well above last year's 2 million cases.

Except in the special case of beans and spaghetti, tin shortage will not result in restriction of the pack of any important canned food.

# New Gas Unit Ready Soon

From Our Own Correspondent

MONTREAL.—Production of 100-octane gasoline will be started in Montreal in about two months in a new plant under construction by Shell Oil Co. The local plant will be one of 40 belonging to the Petroleum Administration for War, Washington.

The Montreal plant will not be making anything new, according to Shell officials, but will be helping to increase the quantity of aviation gasoline needed for aerial warfare. For ordinary training purposes, a gasoline with an octane rating of 87 is used.

**40 Under Construction**

Plans of the Petroleum Administration already have resulted in the construction of 32 100-octane aviation gasoline plants. Of the 40 under construction, five are outside the United States, in Canada and the Caribbean.

One plant has been completed at Calgary by Imperial Oil and two are being built on the island of Curacao, Netherlands West Indies, by the Asiatic Petroleum Corp., a subsidiary of Shell Oil. Another is being built on the island of Aruba in the same area by a subsidiary of Standard of New Jersey. The fifth will be the Montreal plant.

**Hamilton Cotton Co.** has declared a quarterly dividend of 22½ cents per share, payable Dec. 1, 1943, to shareholders of record Oct. 30. This payment is at the rate of 90 cents per share per annum on the new common no par shares.

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all types of *Globe* Envelopes are going through the mails —smartly stream-lined to register a good impression at their journey's end; precision manufactured and secured with "Bull-Dog" Gumming to afford maximum protection to their contents.

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Are you going to let the matter rest there?

We still have the biggest task to do. If it is to be done thoroughly, and with all speed, one of the essentials is MONEY -- lots of it -- not six months from now, or a year from now, but -- NOW!

Have you really *combed* your personal and business bank accounts? How about those reserves? . . . can they be invested in Victory Bonds? THAT is what you have to consider seriously, when so serious a task is at hand.

How about your *future* earning power? How about the dividends that will come to you in the next few months? By pledging them NOW . . . and meeting the instalment payments on your Bonds as the money comes in . . . you will be doing that much more to help provide NOW the vast sums needed for Victory in the soundest and most satisfactory way for YOU and for all of us -- out of income as it is earned.

So -- this time, buy an EXTRA Victory Bond -- and as many extra Victory Bonds as your prospective income will purchase. THEN you can say with some satisfaction: "I've really done MY job to help 'speed the Victory'".

Speed the Victory!

Buy more VICTORY BONDS

NATIONAL WAR FINANCE COMMITTEE

5-64

Fire Insurance

# Promoting Public Relations

## Wants to Eliminate Bogey of "Big Business"

One of the most important developments in recent months in the fire insurance business in Canada and the United States is the increased desire to promote improved public relations. Outstanding in this regard has been the campaign of the National Association of Agents in the United States to raise $300,000 for public relations work.

The Ontario Fire and Casualty Insurance Agents Association recently passed a resolution urging members to endeavor to promote public relations by taking an active interest in various community enterprises, fire prevention campaigns, etc. In some cases company advertising has been directed to informing the public of the nature of fire insurance business and showing how the interests of the insuring public and those of the companies were linked.

In the United States the agents' campaign has recently been accelerated by the introduction of bills in Congress to put in legislative form the principle that federal anti-trust acts are not to be construed as applicable to insurance. These bills followed decision by the Federal District Court of Atlanta, that the Federal anti-trust laws did not apply to insurance, and the subsequent appeal by the Federal Anti-Trust Division to the United States Supreme Court.

**Public More Interested**

In Canada opinion has been influenced more by the feeling that public interest in business is keener than ever before. The public wants to know the why and how of business to a greater extent than ever before.

Fire insurance executives realize they must tell the public more about their business.

Many insurance executives admit that in the past they have failed in this respect. They have relied on the public to accept the job they were doing as essential and let it go at that. But in recent years business is realizing that this is not enough.

Insurance has frequently been described as big business. In some circles the fact that a business attains large size arouses suspicion. To overcome such an attitude, the public must be informed of the nature of the business so it will understand.

If, then, telling the story of fire insurance is the answer to the public relations problem, how is the story to be told and to whom?

One insurance company executive states there are four publics to whom the story should be told: the agents, the insuring public, the non-insuring public and government officials charged with the administration of the business.

What the public is to be told might include what insurance is, something about the company organization, where the premium dollars go, what is meant by reserves, and other technical terms used by the companies, as well as the co-operative nature of the insurance business.

Some companies have shaped their newspaper advertising to explain to the public the nature of fire insurance business, its essentiality and the part it plays in the modern economy. There is a feeling in some quarters, however, that this can be carried a good deal farther. Some would like to see advertising on an institutional basis somewhat like that of the life insurance companies. The difficulty here is that, unlike the life companies, the fire companies fall into several groups, such as tariffs, non-tariffs, stock companies, mutuals, etc.

**Principles Same**

In quarters taking a broad view of the situation, however, this situation is not insuperable because after all, the principles of insurance are the same in all types of companies. The need of fire or other insurance can be stressed with equal advantage by a stock or mutual, tariff or non-tariff group.

Companies can do a great deal in informing the public of the nature and service of fire insurance, it is believed, in their annual statements by explaining why various items appear in the balance sheets, why they are necessary and what service the company and the business generally gives.

This, it is argued, is the best answer to criticism that may be directed toward insurance or other big business.

**With business generally called on to justify itself before the public, many fire insurance company executives feel more should be done by the fire insurance business to promote favorable public relations. The accompanying article deals with some of the problems involved and the public to whom a goodwill campaign should be directed.**

SALES MANAGER

G. Harry Sheppard, who has been appointed general sales manager by International Business Machines Co., Toronto. Mr. Sheppard was eastern district manager for the company prior to serving for 14 months with Department of Munitions & Supply, Ottawa.

## Nova Scotia Institute Elects New Officers

The Insurance Institute of Nova Scotia, at its annual meeting in Halifax, elected officers for the coming year as follows:

H. CHURCHILL-SMITH, president.

COL. A. W. DUFFUS, honorary president.

W. A. AFFLECK, A. CREASE, P. R. JACK, R. A. MAJOR, D. K. McDERMAID and E. L. MILLER, vice-presidents.

H. F. BETHEL, J. D. COLLINS, Miss G. FAULKNER, A. J. HALLIBURTON, C. E. HUBLEY, R. M. KELLEY, J. G. SIMPSON and H. R. SNUGGS, members of executive.

Miss NOREEN LAWLOR, assistant honorary secretary-treasurer.

# Canadian Life Companies Win Advertising Awards

At the annual meeting of the International Life Advertisers Association, in New York, Canadian life insurance companies won 10 awards in the competitive exhibits.

Companies were divided into four groups according to the amount of ordinary life insurance in force on Jan. 1, 1943 as follows:

Group 1—$65 millions or less.
Group 2—$65 to $150 millions.
Group 3—$150 to $500 millions.
Group—4 $500 millions or more.

Awards were as follows:

Group 1—NATIONAL LIFE OF CANADA: Newspaper Advertising; Company Publications Addressed to Agents.

Group 2—EXCELSIOR LIFE: Sales Promotion; Direct Mail Advertising; Sales Interview Aids.

Group 3—DOMINION LIFE: Direct Mail; Newspaper Advertising.

IMPERIAL LIFE OF CANADA: Policyholders Relations (its publication "Life Guard.")

NORTH AMERICAN LIFE: Prestige and Goodwill Builders.

Group 4—GREAT-WEST LIFE: Prospecting Direct Mail Material.

## Insurance Sales $427 Millions

Sales of ordinary life insurance in Canada and Newfoundland in September totalled $49.3 millions with the total for the first nine months of the year, $427 millions. The figures, compiled by the Life Insurance Sales Research Bureau, are based on the experience of 18 companies representing 86% of the new settled-for business, exclusive of increases, revivals, dividend additions, annuities group insurance, etc.

Totals by provinces for the month and nine months follow.

| Sales for September: | 1943 |
|---|---|
| British Columbia | $3,818,000 |
| Alberta | 2,874,000 |
| Saskatchewan | 2,105,000 |
| Manitoba | 2,874,000 |
| Ontario | 19,781,000 |
| Quebec | 12,614,000 |
| New Brunswick | 1,631,000 |
| Nova Scotia | 2,445,000 |
| Prince Edward Island | 348,000 |
| Newfoundland | 798,000 |
| Total | 49,288,000 |
| **Nine Months:** | |
| British Columbia | 32,493,000 |
| Alberta | 23,576,000 |
| Saskatchewan | 14,752,000 |
| Manitoba | 23,729,000 |
| Ontario | 180,029,000 |
| Quebec | 112,416,000 |
| New Brunswick | 12,623,000 |
| Nova Scotia | 18,035,000 |
| Prince Edward Island | 2,660,000 |
| Newfoundland | 6,690,000 |
| Total | 427,003,000 |

## D. M. Tudhope Elected To LAA Executive

At the 10th annual meeting of the Life Insurance Advertisers in New York City recently. Donald M. Tudhope, supervisor of field service of the National Life Assurance Co. of Canada, was elected to the executive committee. Mr. Tudhope, who has served previously on several committees of the association, will represent the Canadian membership of the LAA.

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Since 1889
HEAD OFFICE WATERLOO, ONTARIO
THE COMPANY WITH THE FRIENDLY AGENCIES

PROTECTION FOR YOUR FAMILY
Northern Life
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SECURITY FOR YOURSELF

The EXCELSIOR LIFE
A STRONG CANADIAN COMPANY ESTABLISHED 1889
YOU CAN HELP YOUR STAFF BUY THESE POLICIES THROUGH THE PAYROLL DEDUCTION PLAN

## Want Housing Conversion In Winnipeg

From Our Own Correspondent

WINNIPEG.—In an effort to ease Winnipeg's housing shortage, City Council is making representations to Ottawa for inclusion in the National Housing Administration's house-into-apartment conversion program. At the same time the city has advertised in the newspapers for a preliminary enrolment of interested property owners.

NHA's Housing Conversion Plan already has been applied in Calgary, Edmonton, Vancouver, Victoria, Halifax, Moncton, Saint John, Montreal, Quebec City, Ottawa, Toronto, Sarnia, Windsor, Hamilton, Brantford and St. Catharines.

In those cities the administration has been entering into leases with approved owners, covering a period of five years, plus a maximum additional period of three years, at a rental the unconverted house would command in the present rental market, provided this does not exceed 1% per month of the assessed or appraised value.

**Feel Plight Overlooked**

Winnipeg's action follows a charge by Ald. James Black of the council's housing committee that Winnipeg had been "left entirely out of the picture." The committee had reported earlier: "Winnipeg has an immediate housing problem which would justify extension of the conversion plan to it."

Although designated by the Government as a city where new housing is needed, no construction has been undertaken here by Wartime Housing Ltd., Crown company which has provided plant dormitories and temporary sectional housing for war industry workers across Canada.

Severe as is the Winnipeg shortage, caused mainly by influx of country people, admittedly it is not comparable to that of Vancouver and Edmonton where war workers and military concentrations have created housing emergencies.

There were only 75 vacant houses in Winnipeg at the end of 1942 and 60 of them were being held for sale only, according to the city health department. There are only three now vacant, it is estimated. Most of 19 apartments reported vacant at the year-end were considered too small for the average family.

Last year 556 new homes were built here and, so far this year, there have been 267 more erected costing $1.1 million. City Health Inspector Alex. Officer recently estimated Winnipeg's requirement at "9,000 new domicile units immediately."

Construction men here say the industry supports in principle the move for home conversion. The NHA program, as announced for other cities, apparently will not include any exterior structural alterations or additions—just interior subdivision and equipment installations.

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# WHY RUSSIA WINS

Photo by Sovfoto

WHAT makes the Red Army tick? What is the secret of the amazing Russian gains? What stopped the Nazi summer campaign before it began and started Russia on the road to victory?

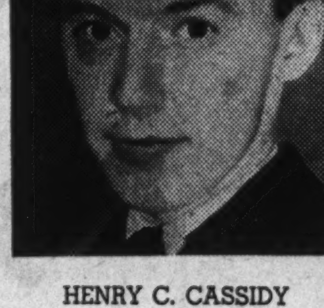
Read Henry C. Cassidy's frank, clear-sighted cable from Moscow analysing Russia's steam-roller power, in November 1 Maclean's.

Get your copy now, before they are all sold out! Paper rationing will not allow us to print extra copies of this issue.

Cassidy is the war correspondent who sent a note to Stalin and scooped all other Moscow correspondents by obtaining from the Russian leader his much discussed Second Front statement.

To Cassidy, Stalin first asserted that the British and American campaign in North Africa had turned the war in favor of the Allies.

Cassidy has been Associated Press war correspondent in Russia since 1940. He covered the air blitz of Moscow. He visited Russian front lines near Smolensk. He knows Russian generals and Russian soldiers first-hand.



HENRY C. CASSIDY

Suggestion! — The boys in the Navy, the Army, and the Air Force like Maclean's too. They write that they read it every chance they get. Why not save your copy and send it to your local magazine collecting depot!

## ALSO IN THIS ISSUE:

**The Truth About Tobacco**
Does smoking cause high blood pressure? Should expectant mothers smoke? — Answered in the impartial light of the latest research by Robert H. Feldt, M.D., assistant medical director of an insurance company.

**Why Can't We Get The Coal We Need?**
Just how serious is Canada's fuel shortage? What brought it about? Will there be coal rationing? — Blair Fraser presents the facts.

**Which Way Will Turkey Jump?**
Will this hot spot of the Eastern Mediterranean provide the door to the Balkans? — An informed analysis of Turkey's strength and attitude by Eliahu Ben-Horin, author of the book, "The Middle East: Crossroads of History," published this Fall.

**New First Lady of Hollywood**
Swedish Ingrid Bergman refused to change her name, refused to change her face, yet she's made Hollywood sit up and say uncle — A striking close-up by Howard Sharpe.

**How We Are Reconstructing Sicily**
Order has been restored out of chaos, illustrating the problems that face Allied authorities in occupying a conquered country — a significant cable from Wallace Reyburn, Montreal Standard war correspondent.

**Corvette In Action**
A thrilling preview of a forthcoming book, "East Coast Corvette," by Lieut. Nicholas Monsarrat, RNVR, author of the best seller, "H.M. Corvette."

**Adventure North of Fifty-five**
Just back from a flying jaunt over the Alaska Highway country, Ronald A. McEachern, editor of The Financial Post, describes the big-time war projects of Canada's Northland.

**Flight of Destiny**
Starboard engines afire, oxygen system smashed, but still this ferry bomber got home — An exciting story by D. K. Findlay.

**Pops — That's Solid**
A wacky hep chick was Julie, but she knew her Pops was no hot-horn bum and when he finally gave he was terrific! — A modern, very modern, thriller by Ryerson Johnson and Steve Kierstead.

★ Beverley Baxter ★ Labor and Free Enterprise — Editorial Page ★ Backstage at Ottawa ★ Washington Memo ★ Helen G. Campbell ★ Wit and Wisdom ★ Parade.

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*Chartered Accountants*
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# Peak Bank Deposits Aid Victory Loan Campaign

## Public Savings Pass Previous Record by Almost $63 Millions — Current Loans to Business Show Further Decline

Total public bank deposits in Canada at the end of Sept. 30 exceeded the previous record established April 30 by $30 millions, the return of the chartered banks to the Minister of Finance as at Sept. 30 reveals. The rise was in savings deposits which, at over $1.9 billions, exceeded the April 30 figure by $62 millions. Demand deposits at $1.7 billions were about $32 millions below the April record but $114.9 millions higher than at the end of the previous month.

**Previous Drop Recovered**

At the time of the Fourth Victory Loan campaign in May, savings deposits fell $194 millions and demand deposits $348 millions, a total drop of $542 millions, reflecting investments in the loan. In the four following months this decline was completely recovered and $30 millions added.

Current loans in Canada continued to recede owing to the lighter demands of business for credit in the war economy, while call loans and loans to the provinces and municipalities were also lower.

**Investments**

Bank investments were up $200 millions on the month and $541 millions on the year. The increase was mainly in short term securities, mainly deposit certificates bearing interest at ¾ of 1%, it is believed.

Figures from the statement for the month with comparisons are given in the accompanying table:

**Use of Bank Credit**
(In Millions of Dollars)

| | September 1943 | August 1943 | Change | September 1942 | Change |
|---|---|---|---|---|---|
| Loans | 1,079.1 | 1,156.2 | —77.1 | 1,076.8 | +2.3 |
| Investments | 2,881.2 | 2,681.3 | +199.9 | 2,339.9 | +541.3 |
| Total | 3,960.3 | 3,837.5 | +122.8 | 3,416.7 | +543.6 |
| Deposits | 3,756.6 | 3,568.5 | +188.1 | 3,275.0 | +481.6 |
| Credit index* | 27.2% | 30.7% | —3.5% | 30.6% | —3.4% |

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

**ASSETS**

| | September 1943 $ | August 1943 $ | Change $ | September 1942 $ | Change $ |
|---|---|---|---|---|---|
| **Immediately Available Liquid Assets** | | | | | |
| Canadian coin | 7,549,618 | 7,290,015 | +259,603 | 6,909,869 | +639,749 |
| Bk. of Can. notes | 114,080,073 | 118,260,138 | —4,180,065 | 112,638,975 | +1,441,098 |
| Bk. of Can. depos. | 305,669,460 | 308,589,202 | —2,919,742 | 246,016,681 | +59,652,779 |
| Bank's cash | 427,299,151 | 434,139,355 | —6,840,204 | 365,565,525 | +61,733,626 |
| Other bank's notes | 1,090,626 | 1,069,526 | +21,100 | 2,287,201 | —1,196,575 |
| Gold sub. coin abd. | 2,892,170 | 2,887,698 | +4,472 | 2,838,117 | +54,053 |
| Foreign banks | 206,468,732 | 238,640,790 | —32,172,058 | 186,708,064 | +19,760,668 |
| Foreign currency | 78,789,943 | 81,635,880 | —2,845,937 | 41,886,238 | +36,903,705 |
| Gov. sec. sht. term | 1,762,993,310 | 1,578,805,114 | +184,188,196 | 1,272,523,467 | +490,469,843 |
| Do., long term | 799,997,437 | 791,335,892 | +8,661,545 | 784,836,749 | +15,160,688 |
| Call loans abroad | 79,377,223 | 75,833,756 | +3,543,467 | 57,608,257 | +21,768,966 |
| | 3,358,908,592 | 3,204,348,011 | +154,560,581 | 2,714,253,618 | +644,654,974 |
| **Loans and Other Securities Other Than Those of Canadian Government** | | | | | |
| Municipal secs. | 62,568,193 | 63,712,455 | —1,144,262 | 73,361,264 | —10,793,071 |
| Public secs.♦ | 182,415,738 | 172,645,411 | +9,770,327 | 123,779,312 | +58,636,426 |
| Other secs. | 73,246,511 | 74,853,561 | —1,607,050 | 85,389,398 | —12,142,887 |
| Can. call loans | 34,088,140 | 35,233,021 | —1,144,881 | 26,561,296 | +7,526,844 |
| Current loans | 988,762,167 | 1,062,942,828 | —74,180,661 | 978,147,745 | +10,614,422 |
| Loans abroad | 87,949,919 | 88,992,634 | —1,042,715 | 115,557,831 | —27,607,912 |
| Prov. loans | 4,640,055 | 5,119,339 | —479,284 | 4,503,001 | +137,054 |
| Mun. loans | 51,591,061 | 52,875,905 | —1,284,844 | 67,639,239 | —16,048,178 |
| | 1,485,261,784 | 1,556,375,154 | —71,113,370 | 1,474,939,086 | +10,322,698 |
| **Other Assets** | | | | | |
| Non-curent loans | 2,512,687 | 2,554,608 | —41,921 | 4,079,664 | —1,566,977 |
| Real estate | 5,286,481 | 5,296,143 | —9,662 | 5,952,242 | —665,761 |
| Mortgages | 3,045,427 | 3,103,436 | —58,009 | 3,413,382 | —367,955 |
| Premises | 66,753,696 | 66,943,046 | —189,440 | 69,213,969 | —2,460,363 |
| Letters of credit | 118,369,530 | 116,848,470 | +1,521,060 | 105,842,248 | +12,527,282 |
| Loans to comp. | 10,433,371 | 10,486,885 | —53,514 | 10,964,267 | —530,896 |
| Other assets | 2,446,130 | 2,228,515 | +217,615 | 2,011,968 | +434,162 |
| | 208,847,232 | 207,461,103 | +1,386,129 | 201,477,740 | +7,369,492 |
| Total | 5,053,017,608 | 4,968,184,268 | +84,833,340 | 4,390,670,444 | +662,347,164 |
| Note circ. dej. | 3,347,788 | 3,345,377 | +2,411 | 4,019,627 | —671,839 |
| Int. bank bal. | 207,655,540 | 183,360,676 | +24,294,864 | 166,584,595 | +41,070,945 |
| Gross | 5,264,020,936 | 5,154,890,321 | +109,130,615 | 4,561,274,666 | +702,746,270 |

**LIABILITIES**

| | September 1943 $ | August 1943 $ | Change $ | September 1942 $ | Change $ |
|---|---|---|---|---|---|
| **To the Public** | | | | | |
| Circulation | 46,779,060 | 47,380 296 | —601,236 | 71,296,144 | —24,517,084 |
| Dom. Govt. | 220,880,408 | 308,561,104 | —87,680,696 | 94,914,968 | +125,965,440 |
| Prov. Govt. | 107,778,641 | 100,663,612 | +7,115,029 | 116,215,886 | —8,437,245 |
| **Deposits by Public** | | | | | |
| Demand dep. | 1,767,708,141 | 1,652,731,307 | +114,976,834 | 1,526,786,001 | +240,922,140 |
| Savings dep. | 1,988,904,185 | 1,915,732,321 | +73,171,864 | 1,748,248,134 | +240,656,051 |
| Total | 3,756,612,326 | 3,568,463,628 | +188,148,698 | 3,275,034,135 | +481,578,191 |
| Foreign dep. | 595,961,720 | 620,777,656 | —24,815,936 | 517,971,119 | +77,990,601 |
| **Due to Banks Abroad** | | | | | |
| United Kingdom | 35,408,881 | 33,732,981 | +1,675,900 | 25,421,898 | +9,986,983 |
| Foreign | 52,555,068 | 38,607,847 | +13,947,222 | 33,552,816 | +19,002,252 |
| Letters of credit | 118,369,530 | 116,848,470 | +1,521,060 | 105,842,248 | +12,527,282 |
| Other liabs. | 4,687,877 | 4,990,663 | —302,786 | 5,179,685 | —491,808 |
| Total pub. liabs. | 4,939,033,511 | 4,840,026,257 | +99,007,254 | 4,245,428,899 | +696,604,612 |
| Due bet. banks | 17,099,039 | 10,377,180 | +6,721,859 | 11,477,259 | +5,621,780 |
| **Liability to Shareholders** | | | | | |
| Dividends | 1,187,176 | 1,814,735 | —627,559 | 1,281,626 | —94,450 |
| Reserve | 136,750,000 | 136,750,000 | ........ | 134,750,000 | +2,000,000 |
| Capital | 145,500,000 | 145,500,000 | ........ | 145,500,000 | ........ |
| Gross | 5,239,569,726 | 5,134,468,172 | +105,101,554 | 4,538,437,784 | +701,131,942 |

♦Other than Canadian.

# Bank Debits Up Almost 28%

## Gains Shown in All Economic Areas — Prairies' Increase Leading

Cheques cashed by Canadians against individual accounts at the 33 clearing-house centres in Canada in September totalled $4.5 billions, a gain of 27.6% over the same month last year. While all economic areas showed gains, the greatest increase, 53.4%, was in the Prairie Provinces. Only one of the 10 reporting centres, Brandon, showed recession from September last year. Gains in other economic areas were Maritimes, 9%; Quebec, 17%; Ontario, 27% and British Columbia, 29%.

Cheques cashed in the first nine months of the year at $38.4 billions were 18.8% above the nine months' figure in 1942. Last year they totalled $32.3 billions.

Figures for September with comparisons are given in the table below.

**Debits to Individual Accounts**
(Millions of $)

| | 1943 Sept. | 1943 Aug. | 1942 Sept. |
|---|---|---|---|
| **Maritimes:** | | | |
| Halifax | 53.5 | 48.8 | 52.0 |
| Moncton | 17.3 | 16.3 | 14.9 |
| Saint John | 24.7 | 26.6 | 20.7 |
| Total | 95.5 | 91.7 | 87.6 |
| **Quebec:** | | | |
| Montreal | 1,052.0 | 1,097.2 | 889.1 |
| Quebec | 111.8 | 108.0 | 104.8 |
| Sherbrooke | 10.8 | 10.5 | 10.3 |
| Total | 1,174.6 | 1,215.7 | 1,004.2 |
| **Ontario:** | | | |
| Brantford | 18.0 | 17.4 | 15.7 |
| Chatham | 12.3 | 9.1 | 7.5 |
| Fort William | 10.4 | 10.7 | 8.8 |
| Hamilton | 93.0 | 94.9 | 101.7 |
| Kingston | 11.8 | 11.4 | 10.9 |
| Kitchener | 20.3 | 18.4 | 17.8 |
| London | 46.0 | 41.3 | 39.8 |
| Ottawa | 758.6 | 537.5 | 478.4 |
| Peterborough | 11.8 | 11.6 | 11.6 |
| St. Catharines | 21.4 | 20.6 | 17.8 |
| Sarnia | 14.2 | 13.4 | 11.4 |
| Sudbury | 8.8 | 8.0 | 8.7 |
| Toronto | 1,055.7 | 879.2 | 888.1 |
| Windsor | 76.8 | 73.2 | 83.1 |
| Total | 2,159.0 | 1,746.7 | 1,701.3 |
| **Prairies:** | | | |
| Brandon | 6.5 | 6.4 | 6.8 |
| Calgary | 106.8 | 80.8 | 67.7 |
| Edmonton | 82.5 | 82.8 | 58.6 |
| Lethbridge | 7.8 | 7.5 | 6.4 |
| Medicine Hat | 5.0 | 4.9 | 4.9 |
| Moose Jaw | 9.8 | 12.3 | 9.4 |
| Prince Albert | 4.9 | 4.9 | 4.3 |
| Regina | 59.7 | 61.6 | 57.2 |
| Saskatoon | 17.0 | 18.3 | 14.8 |
| Winnipeg | 470.0 | 420.3 | 271.8 |
| Total | 770.0 | 708.8 | 501.9 |
| **British Columbia:** | | | |
| New Westminster | 13.5 | 12.4 | 11.3 |
| Vancouver | 231.6 | 197.5 | 171.5 |
| Victoria | 40.9 | 47.5 | 38.4 |
| Total | 286.0 | 257.4 | 221.2 |
| Total, Canada | 4,485.1 | 4,020.3 | 3,516.2 |

# More Sterling Held By Bank

## Investments of Bank of Canada Show Decline For Week

Sterling exchange held by the Bank of Canada shows an increase of about $11 millions in the statement for the week ended Oct. 27. The total of $57.3 millions probably represents sterling funds paid for goods shipped on sterling account including wheat, etc. Investments and miscellaneous assets, however, were lower with the result that total assets were down slightly on the week.

On the liability side, while note circulation was higher, total deposits and miscellaneous accounts were down.

| | Oct. 27 1943 $ | Oct. 20 1942 $ |
|---|---|---|
| Capital paid-up | 5,000,000 | 5,000,000 |
| Notes in circ. | 834,441,065 | 831,801,542 |
| Rest fund | 6,472,953 | 6,472,953 |
| Deposits, Dom. | 65,648,244 | 63,976,153 |
| Chartered bks. | 302,059,133 | 308,497,629 |
| Other | 18,530,173 | 15,638,226 |
| Total deposits | 386,237,550 | 388,111,008 |
| All other liabs. | 21,769,848 | 22,633,145 |
| Total liabs | 1,253,921,436 | 1,254,018,648 |
| **Assets** | | |
| In Sterl. & U.S. | 57,365,066 | 46,240,066 |
| Subsid. coin | 104,580 | 126,194 |
| Investments: | | |
| Dom. gov. sh. | 749,980,519 | 753,124,819 |
| Other Dom. gov. | 429,196,991 | 436,576,993 |
| Total invest. | 1,179,177,510 | 1,189,701,812 |
| Premises | 2,096,859 | 2,101,474 |
| All other assets | 15,177,421 | 15,849,102 |
| Total assets | 1,253,921,436 | 1,254,018,648 |

## Staff Changes

**The Royal Bank of Canada** announces the following staff changes:

L. A. BENSON to be manager, Fort St., Victoria.

R. T. W. HILL, assistant manager, Havana, Cuba, to be manager, Lonja del Comercio, Havana, Cuba.

A. T. MACLELLAN, head office, Montreal, to be manager, Digby, N.S.

R. B. MURRAY, manager, Digby, N.S., to be manager, Spring Garden Rd., Halifax.

E. BENET to be assistant manager, Lonja del Comercio, Havana, Cuba.

W. H. SMITH to be assistant manager, Stanley St., Montreal.

C. L. WALKER, assistant manager, Stanley St., Montreal, to be assistant manager, Winnipeg.

R. J. BOURQUE, accountant, Vernon, B.C., to be accountant, New Westminster, B.C.

A. C. ROSS, accountant, Carleton Place, Ont., to be accountant, Cornwall, Ont.

A. WATSON, manager, Fort St., Victoria, retires on pension.

# High Productivity Claimed Key To Postwar Problems: Spinney

Key to the problem of postwar debt, postwar employment and postwar prosperity lies in high and increasing productivity, George W. Spinney, president of the Bank of Montreal, told members of the Investment Bankers' Assoc. of America at their meeting in New York this week.

After the war the patriotic urge to save will have disappeared, Mr. Spinney said, and many people will be anxious to cash their bonds to satisfy long deferred wants.

"Indeed, fears are already expressed that the sudden rush to cash these claims and to spend them on goods that will for some time be limited in supply indicates a danger of inflation in the immediate postwar years even greater than that which exists now."

The concept of ever-increasing debt in peacetime years, he said, inevitably implies ever-increasing taxation, or a continuous process of creeping depreciation of the currency, or both. "This is not an atmosphere in which private initiative can flourish or in which the value of savings can be maintained."

Basically the condition necessary to the attainment of postwar objectives is a high and increasing national income not in terms of prices but of production.

There are vast areas scarcely touched by the products of modern invention. "Until the teeming millions of the as yet undeveloped areas of the world have satisfied their last material desire," Mr. Spinney went on to tell the members of the IBA. "I do not think we need to worry about lack of markets or lack of opportunities. Nor do I think that as nations we need to start eyeing each other uneasily as postwar competitors in a restricted world."

## B. C. Supt. Appointed By Bank of Toronto

W. B. McCririck, manager of the main office of the Bank of Toronto at Vancouver, has been appointed superintendent for British Columbia branches of the bank, in addition to his present duties. He has been in the service of the Bank of Toronto for 37 years and was manager at Winnipeg for 12 years before going to Vancouver two years ago.

He succeeds E. W. Lamprey as superintendent for British Columbia branches, who is retiring from active duty after 50 years' service with the bank. He entered the bank's service at the head office in Toronto, July 12, 1893, and was manager at various points in Ontario and Quebec before assuming management of the Vancouver branch in 1920, later being appointed superintendent.

# Mont. Builders Raise Wage Rate

From Our Own Correspondent

MONTREAL — Despite general increase in wages payable in the building trades in the Montreal area, effective recently by authorization of the Quebec Regional War Labor Board, rates in most of these trades remain substantially lower than those officially recognized in the Toronto area.

These are examples:

**INTER-CITY WAGE RATES**

| Trade | Hourly rate Montreal | Hourly rate Toronto |
|---|---|---|
| Carpenter | .90 | 1.00 |
| Bricklayer | 1.00 | 1.12½ |
| Plumber | .95 | 1.10 |
| Electrician | .95 | 1.10 |

(A minimum weekly cost-of-living bonus of $2.25 is payable over and above the hourly wage.)

There has been no comparable "across-the-boards" increase for building trades in any Ontario city under the Ontario Regional War Labor Board's aegis.

# Ottawa Appeals Quebec Act On Dormant Bank Deposits

From Our Own Correspondent

MONTREAL. — Quebec's legislation on dormant bank deposits has been challenged by the Attorney-General of Canada.

In April, 1939, the Quebec Government under Premier Duplessis passed a law that deposits in establishments of credit and other institutions that receive money on deposit, took on the nature of "vacant estates" if and when they remain unclaimed for 30 years or more. As such, the law says, they fall within the jurisdiction of the province acting in the right of the Crown.

The Dominion Attorney-General has decided to appeal to the Privy Council on the constitutional question of whether the Quebec legislation is ultra vires.

On the outcome of the appeal depends the disposition of many millions of dollars actually held by the chartered banks throughout the Dominion as dormant balances.

The Quebec Court of Appeal has granted the Attorney-General of Canada the right of appeal to the Privy Council from a judgment which the court delivered last June confirming a decision of the Superior Court which condemned the Bank of Montreal to pay to the Province of Quebec in the right of the Crown a sum of $15,537, representing depositors' balances which had not been claimed within the previous 30 years.

The Bank of Montreal has contended from the beginning that the disposition of the amounts in question were subject to the provision of the Bank Act, a Federal statute which had supremacy over any provincial legislation.


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## Big Program is Sought By Good Roads Body

Undertaking by Ontario of a $50 millions five-year program of construction and rehabilitation on provincial highways and municipal roads is being urged, Ontario Good Roads Association President Guy R. Marston, Norfolk county engineer, announced recently at conclusion of a Toronto meeting of the association executive. OGRA will hold its golden jubilee conference in Toronto in February, Thomas J. Mahony, Hamilton, secretary, stated.


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# THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

## Montreal and Toronto
Week ending Monday close

## Winnipeg and Vancouver
Week ending Saturday close

WEEK ENDING NOVEMBER 1

| Range 1943 High | Low | Div. R'te $ | Oct30 Y'ld % | | Sales | Last Oct. 25 | Week end. Nov. 1 H | L | Cl'se |
|---|---|---|---|---|---|---|---|---|---|
| 4.25 | .59 | * | ... | Abitibi | 2160 | 2.75 | 2.75 | 2.37 | 2.75 |
| 33 | 5 | * | ... | Do. pref. 6% | 4900 | 29¾ | 29¾ | 28 | 29¼ |
| 62 | 12¼ | * | ... | Do. pref. 7% | 25 | 59¼ | 58 | 58 | 58 |
| 7¾ | 3 | ? | ... | Acme Glove, c. | 50 | 4¼ | 4¼ | 4¼ | 4¼ |
| 11 | 8 | . | ... | Algoma Steel c | 1035 | 10¾ | 10¾ | 10 | 10 |
| 102¾ | 100 | 5 | 4.9 | Alum. of Can p | 675 | 101¾ | 102 | 101¾ | 102 |
| 133¼ | 104 | 8+2 | 9.1 | Aluminium c | 725 | 107¾ | 110 | 107¼ | 109¼ |
| [illegible] | | | | | | | | | |

| Range 1943 High | Low | Div. R'te $ | Oct30 Y'ld % | | Sales | Last Oct. 25 | Week end. Nov. 1 H | L | Cl'se |
|---|---|---|---|---|---|---|---|---|---|
| 16¾ | 14 | 1.40 | 9 | Foundation Co. | 105 | 15 | 15¼ | 15¼ | 15¼ |
| 20 | 12¼ | * | ... | Fraser Cos. | 604 | 17¼ | 19 | 18¾ | 19 |
| 20¼ | 12¼ | . | ... | Do. Vot. Tr. | 2580 | 18¾ | 19¼ | 18 | 19 |
| 11¼ | 7¾ | .60 | 6.9 | Gatineau Pwr. | 130 | 8¾ | 8¾ | 8¼ | 8¾ |
| 101 | 86 | 5.50 | 5.3 | Do. 5½% pref. | 20 | 98 | 96¾ | 95 | 95 |
| 14¼ | 7¼ | .50 | ... | Gen. St. Wares | 1240 | 13 | 12¼ | 12 | 12 |
| 110 | 94 | 7+.63 | 7 | Do. pref. | 25 | 109¼ | 109¼ | 109¼ | 109¼ |
| 95 | 82 | 2.50+1 | | Goodyear Tire c | 111 | 90 | 90 | 89 | 89 |
| [illegible] | | | | | | | | | |

| Range 1943 High | Low | Div. R'te $ | Oct30 Y'ld % | | Sales | Last Oct. 25 | Week end. Nov. 1 H | L | Cl'se |
|---|---|---|---|---|---|---|---|---|---|
| 110 | 100 | 7 | 6.4 | Do. pref. | 5 | 109¼ | 109¼ | 109¼ | 109¼ |
| 31 | 23¼ | 1 | 3.2 | Tor. Elevators | 60 | 30¾ | 30¾ | 30 | 30 |
| 55 | 50¼ | 2.62½ | 5 | Do. pref. | 10 | 53 | 53 | 52¼ | 52¼ |
| 85 | 63 | 4 | 4.8 | Tor. Gen. Tr. | 15 | 84 | 85 | 84 | 85 |
| 9 | 6 | . | ... | Union Gas | 1525 | 7 | 7 | 6¾ | 7 |
| 16 | 8¼ | .30 | ... | United Corp. B | 125 | 12¼ | 12¼ | 12¼ | 12¼ |
| 37 | 32¼ | 3 | 8.9 | United Fuel, pf. | 125 | 33¼ | 34 | 33 | 33¼ |
| 5 | 3¼ | . | ... | Do. (B) pref. | 275 | 5 | 5 | 5 | 5 |
| 16 | 12¼ | 1 | ... | United Grain A | 8 | 15 | 15 | 15 | 15 |
| [illegible] | | | | | | | | | |

### Mining Stocks

| Range 1943 High | Low | Div. $ | Yield % | Company | Sales | Last Oct. 25 | High | Low | Close |
|---|---|---|---|---|---|---|---|---|---|
| [illegible] | | | | | | | | | |
| .08 | .02½ | ..... | .... | Kirk. Gold. | 15,500 | .06 | .06 | .05 | .05 |
| .91 | .55 | †.04 | .... | Kirkland L. | 7,225 | .79 | .88 | .75 | .88 |
| .13 | .08 | ..... | .... | K. Townsite | 1,700 | .10 | .10 | .08½ | .08½ |
| .37½ | .19 | ..... | .... | Kootenay B. | 1,000 | .30 | .30 | .30 | .30 |
| 1.40 | .40 | †.02 | .... | L. Dufault | 7,200 | .87 | .93 | .85 | .90½ |
| 16.63 | 10.25 | .80 | 5.5 | Lake Shore | 938 | 14.50 | 15.37 | 14.50 | 15.37 |
| 6.10 | 3.50 | .45 | *7.8 | Lamaque G. | 100 | 5.95 | 5.80 | 5.80 | 5.80 |
| .09½ | .03½ | ..... | .... | Lapa Cad. | 5,000 | .04 | .06½ | .05½ | .05½ |
| .04½ | .01 | ..... | .... | Lebel Oro | 5,000 | .02½ | .02½ | .02½ | .02½ |
| 1.27 | .60½ | .09 | *7.6 | Leitch Gold | 13,900 | 1.15 | 1.20 | 1.13 | 1.20 |
| 1.00 | .67 | ..... | .... | Little L.L. | 150,291 | .82 | .95 | .81 | .93 |
| 4.00 | 2.26 | †.18 | .... | Macassa | 5,215 | 3.60 | 3.65 | 3.60 | 3.65 |
| 1.42 | 2.50 | *.10 | .... | MacLeod C. | 17,324 | 2.12 | 2.26 | 2.05 | 2.20 |
| [illegible] | | | | | | | | | |
| 3.45 | 1.85 | .30 | 10 | T. Hughes | 5,095 | 3.00 | 3.10 | 3.00 | 3.05 |
| .12 | .05 | ..... | .... | Temiskaming | 1,000 | .09 | .09 | .09 | .09 |
| .94 | .60 | .04 | .... | Toburn Gold | 2,725 | .75 | .85 | .70 | .85 |
| .18 | .09 | ..... | .... | Towagmac | 2,090 | .15 | .15 | .10 | .15 |
| .74 | .35 | ..... | .... | Trans. Res. | 27,900 | .60 | .63 | .58 | .63 |
| 1.85 | .95 | .10 | 6.1 | Upper Can. | 7,750 | 1.65 | 1.70 | 1.61 | 1.70 |
| 7.25 | 4.35 | †.10 | .... | Ventures | 4,908 | 6.70 | 7.00 | 6.75 | 7.00 |
| 5.80 | 3.40 | †.50 | .... | Waite Am. | 4,576 | 5.15 | 5.25 | 5.00 | 5.00 |
| .02½ | .01 | ..... | .... | Wellington | 10,000 | .01½ | .01½ | .01½ | .01½ |
| .05 | .02 | ..... | .... | Whitewater | 7,000 | .04 | .04 | .03½ | .03½ |
| .05 | .01½ | ..... | .... | Wiltsey C. | 2,000 | .04 | .03½ | .03½ | .03½ |
| 4.20 | 2.50 | .35 | .... | Wright-Har. | 1,868 | 3.35 | 3.35 | 3.25 | 3.35 |
| .10½ | .08 | .01 | 6/10 | Ymir Girl | 4,500 | .09½ | .10 | .09½ | .09½ |

### Oil Stocks

| Range 1943 High | Low | Div. $ | Yield % | Company | Sales | Last Oct. 25 | High | Low | Close |
|---|---|---|---|---|---|---|---|---|---|
| .14 | .06 | ..... | .... | Acme G.&O. | 1,000 | .09½ | .09½ | .09 | .09 |
| .18 | .09 | ..... | .... | Alta. P. Cons. | 1,400 | .13 | .15 | .14 | .14 |
| 1.60 | .13 | ..... | .... | Ajax | 3,750 | 1.40 | 1.45 | 1.38 | 1.38 |
| .82 | .45 | †.04 | .... | Anglo Can. | 10,800 | .71 | .75 | .70 | .75 |
| .75 | .19½ | ..... | .... | Br. Dom. | 24,500 | .70 | .73½ | .66 | .73½ |
| .13 | .04½ | ..... | .... | Brown Oil | 3,000 | .08 | .08½ | .08 | .08 |
| 2.60 | 1.15 | †.10 | .... | Calg. & Ed. | 24,665 | 2.18 | 2.50 | 2.18 | 2.36 |
| .35 | .21 | ..... | .... | Calmont | 2,900 | .25½ | .26 | .26 | .26 |
| .30½ | .20 | ..... | .... | Common P. | 2,000 | .27½ | .30½ | .28 | .28 |
| .49 | .29 | ..... | .... | Dalhousie | 2,200 | .37 | .42 | .35 | .40 |
| .24 | .10 | ..... | .... | Davies Pete | 5,550 | .15 | .16 | .15 | .16 |
| .21½ | .04½ | ..... | .... | East Crest | 10,700 | .10½ | .10½ | .10 | .10 |
| 1.75 | .78 | ..... | .... | Foothills | 3,150 | 1.45 | 1.55 | 1.45 | 1.45 |
| .18 | .10 | ..... | .... | High Sarcee | 3,700 | .15½ | .18 | .15½ | .16 |
| 4.10 | 2.65 | .15 | .... | Home | 10,737 | 3.60 | 3.89 | 3.50 | 3.65 |
| .06 | .03 | ..... | .... | Homestead | 3,000 | .04½ | .04½ | .04 | .04 |
| .12 | .05 | ..... | .... | McD. Segur | 1,500 | .07½ | .08 | .08 | .08 |
| .08½ | .05 | ..... | .... | Mercury | 3,000 | .07½ | .07½ | .07 | .07½ |
| .09 | .06 | †.03 | .... | Mill City | 1,000 | .06 | .07½ | .07½ | .07½ |
| .29 | .20 | †.02 | .... | Model | 500 | .23 | .24 | .24 | .24 |
| .11½ | .05 | ..... | .... | Nat. Pete | 2,000 | .11 | .11 | .10½ | .10½ |
| .08½ | .03½ | ..... | .... | Nordon | 2,500 | .06½ | .06 | .06 | .06 |
| .79 | .38 | ..... | .... | Okalta | 15,100 | .67 | .77 | .68 | .75 |
| .09 | .03½ | ..... | .... | Pacalta | 8,000 | .04½ | .05 | .04½ | .05 |
| .53 | .20 | ..... | .... | Pac. Pete. | 7,000 | .50 | .51½ | .48 | .48 |
| 26.50 | 21.00 | 1.00 | 4 | Royalite | 1,892 | 23.75 | 25.25 | 23.25 | 25.25 |
| .08 | .03½ | ..... | .... | South End | 18,000 | .05 | .05 | .04½ | .04½ |
| .40 | .20 | ..... | .... | So. West Pete | 2,100 | .35 | .35 | .31½ | .33 |
| .10 | .07 | ..... | .... | Spooner | 1,000 | .07½ | .07½ | .07½ | .07½ |
| .12 | .08 | .02½ | .... | Sunset | 6,000 | .08 | .08 | .08 | .08 |
| .10 | .04½ | ..... | .... | United Oils | 2,000 | .07½ | .08 | .07½ | .08 |
| .36 | .09½ | ..... | .... | Vermilata | 105,750 | .26 | .27 | .25 | .26 |
| .36 | .18 | ..... | .... | Vulcan | 800 | .20 | .25 | .23 | .25 |

* Yield including bonus. ▾ Paid in 1942. † Interim paid in 1943.

## Volume of Stock Sales

| | Montreal Markets Indust. | Montreal Markets Mines | Toronto Markets Ind. & Mines | Vancouver Markets Ind. & Mines |
|---|---|---|---|---|
| Nov. 2 | 19,700 | 40,900 | 545,000 | ...... |
| Nov. 1 | 18,100 | 38,200 | 624,000 | 18,911 |
| Oct. 30 | 14,500 | 8,900 | 162,000 | 8,300 |
| Oct. 29 | 17,100 | 38,200 | 407,000 | 4,050 |
| Oct. 28 | 21,600 | 34,800 | 394,000 | 6,180 |
| Oct. 27 | 23,300 | 8,500 | 332,000 | 23,550 |
| Oct. 21 | 17,100 | 6,300 | 259,000 | 6,865 |
| Oct. 20 | 12,200 | 7,900 | 253,000 | 9,805 |

## Government Bonds

Nov. 2, 1943 (Supplied by Investment Dealers' Assoc. of Canada)

| % | Due | Bid | Ask. |
|---|---|---|---|
| 2 | June 1944 | 100¾ | 101¼ |
| 1½ | Sept. 1944 | 100 | 100¾ |
| 4½ | Oct. 1944 | 102¾ | 103¾ |
| 2½ | Nov. 1944 | 101 | 102 |
| 2 | Mar. 1945 | 100¼ | 101¼ |
| 2 | Dec. 1946 | 100 | 100¾ |
| 4½ | Feb. 1946 | 105¾ | 106¾ |
| 2½ | Mar. 1948 | 100 | 101 |
| 1¾ | May 1946 | 99¾ | 100¼ |
| a2½ | Jan. 1948 | 103¼ | 104¼ |
| 3½ | June 1949 | 102¾ | 103¾ |
| 3½ | Oct. 1949 | 101¾ | 102¾ |
| a3 | June 1951 | 102¼ | 103¼ |
| 3½ | Nov. 1951 | 103¼ | 104¼ |
| 3½ | Feb. 1952 | 104 | 105 |
| 3 | Oct. 1952 | 101¼ | 102¼ |
| 4 | Oct. 1952 | 106 | 107 |
| a3 | Jan. 1953 | 104¼ | 105¾ |
| 3 | June 1955 | 100 | 101 |
| a3 | Nov. 1956 | 100 | 101 |
| 4½ | Nov. 1956 | 106¼ | 107¼ |
| 4½ | Nov. 1957 | 107¼ | 108¼ |
| a3 | Mar. 1954 | 101¼ | 102¼ |
| a3 | Jan. 1958 | 103 | 104 |
| 3 | June 1958 | 99¾ | 100¾ |
| 4½ | Nov. 1958 | 108¼ | 109¼ |
| 4½ | Nov. 1959 | 109¼ | 110¼ |
| a4 | Oct. 1960 | 109 | 110 |
| a3½ | Jan. 1961 | 105 | 106¼ |
| 3½ | June 1966 | 102 | 103 |
| a3e | Jan. 1967 | 102¾ | 103¾ |
| a3e | Nov. 1968 | 102¾ | 103¾ |
| †3 | Perpetual | 94¼ | 95¼ |
| **Dominion Guarant'd Bonds** | | | |
| **Can. Natl. Railways:** | | | |
| 2½ | Jan. 1946 | 100¾ | 101¾ |
| 3 | May 1944 | 100¼ | 101¼ |
| 3 | Dec. 1950 | 101 | 102 |
| 3 | Jan. 1959 | 99 | 100¼ |
| *4½ | Sept. 1951 | 123¼ | 125 |
| 4½ | Feb. 1956 | 127¼ | 128¾ |
| *4½ | July 1957 | 128¼ | 130 |
| 3 | Feb. 1953 | 100¼ | 101¼ |
| 4¾ | June 1955 | 129 | 130¼ |
| 5 | Feb. 1954 | 116¾ | 118¼ |

| % | Due | Bid | Ask. |
|---|---|---|---|
| *5e | July 1969 | 117¼ | 119 |
| *5e | Oct. 1969 | 128 | 130 |
| *5e | Feb. 1970 | 128¼ | 130 |
| **Can. Nat. W. Ind. S.S.:** | | | |
| 5 | Mar. 1955 | 130 | 132 |
| **Grand Trunk Pacific Rly.:** | | | |
| 3 | Jan. 1962 | 110 | 111¼ |
| **Provincial Gov't Bonds** | | | |
| **New-Brunswick:** | | | |
| 4 | Nov. 1947 | 112¼ | 115 |
| 3 | Oct. 1951 | 98 | 100 |
| 3½ | Aug. 1949 | 99 | 101 |
| 3½ | June 1956 | 99¼ | 101¼ |
| 4½ | Apr. 1961 | 120 | 123 |
| c5 | Jan. 1960 | 126 | 129 |
| **Nova Scotia:** | | | |
| 3 | Jan. 1952 | 99¼ | 101¼ |
| 3½ | June 1956 | 100¼ | 102¼ |
| 3½ | Nov. 1950 | 103 | 105 |
| c4½ | Sept. 1952 | 117¼ | 119¼ |
| c4½ | Nov. 1960 | 125¼ | 128 |
| c5 | Mar. 1960 | 131 | 133 |
| **Ontario:** | | | |
| 2½ | May 1945 | 100 | 101¼ |
| 3 | Apr. 1948 | 100¾ | 102¼ |
| 3 | Nov. 1950 | 99¾ | 101¼ |
| 3½ | Nov. 1951 | 101 | 102¼ |
| 3½ | May 1955 | 100¾ | 102¼ |
| 4 | June 1962 | 121¼ | 125 |
| 4½ | June 1950 | 108¼ | 110 |
| *4½ | Jan. 1962 | 128¼ | 131 |
| 5 | Oct. 1948 | 109 | 110¼ |
| *5 | Dec. 1960 | 135 | 137 |
| *5½ | July 1946 | 107¼ | 108¾ |
| **Ont. Hydro Commission:** | | | |
| 3 | Aug. 1948 | 100¾ | 102¼ |
| 3½ | Feb. 1953 | 100¾ | 102¼ |
| 3½ | Apr. 1947 | 103¼ | 104¾ |
| **Prince Edward Island:** | | | |
| 4 | Mar. 1954 | 101 | 103¼ |
| **Quebec:** | | | |
| 3 | Nov. 1947 | 100¼ | 102¼ |
| 3½ | Mar. 1948 | 100¾ | 102¾ |
| 3½ | Mar. 1959 | 100¼ | 102¼ |

| % | Due | Bid | Ask. |
|---|---|---|---|
| 4 | Nov. 1952 | 103¼ | 105¼ |
| 3½ | Feb. 1955 | 102¼ | 104¼ |
| 4½ | Aug. 1958 | 107 | 109 |
| 4½ | Jan. 1963 | 111¼ | 113¼ |
| **Alberta:** | | | |
| 4½ | Oct. 1956 | 84¼ | 88¼ |
| 4 | Dec. 1954 | 81¼ | 85¼ |
| *5 | Oct. 1959 | 85¼ | 89¼ |
| c5½ | Apr. 1952 | 86¼ | 90¼ |
| 6 | Mar. 1947 | 83¼ | 87¼ |
| **British Columbia:** | | | |
| 4 | Dec. 1957 | 115¼ | 118¼ |
| *4½ | Jan. 1951 | 118¼ | 121¼ |
| c4½ | Oct. 1953 | 120 | 123 |
| c5 | Apr. 1954 | 122¼ | 125¼ |
| 5½ | Feb. 1945 | 102 | 104¼ |
| 6 | Feb. 1947 | 107¼ | 110 |
| **Manitoba:** | | | |
| c4 | Dec. 1957 | 109¼ | 112¼ |
| c4½ | Dec. 1956 | 113¼ | 116¼ |
| *5 | Dec. 1959 | 119¼ | 122¼ |
| 5½ | Oct. 1955 | 112 | 115 |
| 6 | Apr. 1947 | 106 | 109 |
| **Saskatchewan:** | | | |
| 4 | Sept. 1954 | 89 | 92 |
| 4 | Nov. 1960 | 87 | 90 |
| c4½ | Oct. 1961 | 101¼ | 104¼ |
| c4½ | Mar. 1960 | 97¼ | 100¼ |
| 5 | Aug. 1958 | 98 | 101 |
| 5½ | Oct. 1952 | 99¼ | 102¼ |
| 6 | Mar. 1952 | 100¼ | 103¼ |

*-Payable Can., N.Y. & . c-Payable Can. & N.Y. a-Payable N.Y. †Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ♦-Calculated to 1956 average maturity. ■Callable on or after earliest maturity shown and payable at maturity at 101.

## Unlisted Stocks

Nov. 2, 1943 (Furnished by A. J. Pattison Jr. & Co., Toronto)

| | Bid | Ask. |
|---|---|---|
| **Industrial:** | | |
| Andian National | 25 | 27¼ |
| Anglo C. Tel., A | 8¼ | 9¼ |
| Atlas Steels, c. | 26 | 28¼ |
| Do., pref. | 105 | 108 |
| B. C. Pulp, c. | 12¼ | 14 |
| Do., pfd. | 73 | 77 |
| Barrymore Cl., p. | 45 | .. |
| B. C. Sugar | 76 | 78¼ |
| B. C. Tel., p. | 114 | .. |
| Brown, com. | 1¾ | 2 |
| Do., 6% pfd. | 32 | 34 |
| Burns & Co., A | 9¼ | 11 |
| Do., B | 5¼ | 6¼ |
| Canada Tea, p. | 40 | .. |
| Can. Indust., A | 163 | .. |
| Can. Mach., c. | 8 | 9¼ |
| Can. Ing. Rand | 61 | .. |
| Can. Mot. L.A.B. | 8¼ | 9¼ |
| Cap. W. Cloth | 5¼ | .. |
| Do., pref. | 18¼ | 21 |
| Col. Realty | 3¼ | .. |
| Chase, A. W., p. | 16¼ | .. |
| Colonial Steam. | 64 | 68 |
| Copeland F. un. | 16 | .. |
| Corr. Box, c. | 3 | .. |
| Dover Ind. | 7¼ | .. |
| Dunlop T., p. $25 | 23 | 25 |
| Fed. Grain | 3¼ | 4 |
| Do., pref. | 78 | 82¼ |
| Galt Brass, c. | 10¾ | .. |
| Goderich Elev. | 11¼ | .. |
| Guard. Realty, p. | 17¼ | 20 |
| Gurney Fdy., p. | 2 | 2¾ |
| Hart Battery | 5¼ | .. |
| Hayes Steel, c. | 15 | 16 |
| High. Dairy, pf. | 47 | .. |
| Inglis, John | 8¾ | 9¼ |
| Ingram & Bell, p. | 92 | .. |
| Kingst. ship., c. | 12¼ | .. |
| Loblaw Inc., c. | 12 | 13 |
| Minn. & Ont., c. | 8¼ | 9¼ |
| Mt. Royal Htl., c. | 3 | .. |
| M'row Screw, p. | 100 | .. |
| Do., com. | 15 | .. |
| Moirs, pfd. | 41 | .. |
| Morrison Br., un. | .. | 16 |
| Neilson, Wm. C. | 10¼ | .. |
| Do., p. | 101 | .. |
| N. Meth. Ldy., p. | 76 | .. |
| Quinte Milk | 2¼ | .. |
| Prov. Paper, p. | 100 | 101¼ |
| River. Silk, B | 2¼ | .. |
| Stand. Fuel, p. | 65 | .. |
| Stedman, pf. $50 | 56 | 58 |
| Sutton Horsley | .. | 1¼ |
| Tor. Carpet, c. | 70 | .. |
| Do., pref. | 72¼ | .. |
| Un. Steel, A, pf. | 23¼ | 24¾ |
| Viceroy Mfg., c. | 16 | .. |
| Do., pref. | 23¼ | .. |
| West. Grain, pfd. | 33 | 38 |
| **Trust & Loan Stocks:** | | |
| British Mtge. | 116 | .. |
| Brockville Tr. | 46 | .. |
| Capital Trust | .. | 31 |
| Comm. Fin., c. | 7¼ | 8¼ |
| Eastern Tr. | 150 | .. |
| Grey B. Tr. $50 | 45 | .. |
| Guelph & O. $50 | 49 | .. |
| Indust. Mtge. | 25 | .. |
| Lambton Loan | 35 | .. |
| Lond. & W. Trust | 37 | .. |
| Midland Loan | 14 | .. |
| Montreal Tr. | 65 | 75 |
| N. S. Trust | 143 | .. |
| Premier Trust | 37 | .. |
| Royal Trust | 65 | 75 |
| Sherbrooke Tr. | 120 | .. |
| Sterling Trust | 54 | .. |
| Trusts & Guar. | 36 | .. |
| Victoria Trust | 74 | .. |
| Waterloo Trust | 100 | .. |
| **Insurance Stocks:** | | |
| Brit. Amer. | 50 | .. |
| Canadian Fire | 72 | .. |
| Canada Life | 350 | .. |
| Confed. 30% pd. | 130 | .. |
| Continental L. | .. | 31¼ |
| Crown Life | 240 | .. |
| Dominion Fire | 137 | .. |
| D. of Can. Gen. | 130 | .. |
| Dom. Life | 175 | .. |
| Empire, 25% pd. | 6¼ | 7¼ |
| Excelsior 40% pd. | 77 | 83 |
| Great-West Life | 248 | .. |
| Halifax Fire | 15 | 17 |
| Imperial Life | 247 | 263 |
| Manufac. Life | 230 | 245 |
| Monarch, 20% pd. | 33 | 36 |
| Maritime Life | 20 | .. |
| National Life | 10 | .. |
| Sov. L. 25% pd. | 17 | .. |
| Sun Life | 315 | 350 |
| Tor. General | 4 | 5¼ |
| Western Assce. | 44 | 47 |
| Do., pref. | 40 | .. |
| Western Life | 12 | .. |
| **Investment Trust Shares:** | | |
| Deb. & Sec., pf. | 75 | .. |
| Inv. Found. un. | 42¼ | .. |
| Sec's. Hold., pf. | 21 | .. |
| Th. Can. Iv. Tr. | 2¼ | 3 |
| **Theatre Stocks:** | | |
| Allen's St. Cath. units | 62 | .. |
| Do., Kingston | 64 | .. |
| Do., Toronto, p. | 34 | .. |
| Mansf. Theat., p. | 61 | .. |
| Para. Kitch., p. | 48¼ | .. |
| Do., Oshawa, c. | 10 | .. |
| Do., Oshawa, p. | 85 | .. |
| **Power Issues:** | | |
| Can. W. Nat. Gas | 28 | .. |
| Do., pfd. | 104 | .. |
| Gt. Lakes Pr., p. | 101¼ | 105 |
| N. B. Tele. | 11¾ | 13¼ |

## Unlisted Mines

Toronto, Nov. 2, 1943

| | Bid | Ask. |
|---|---|---|
| Alba River (new) | .11 | .12 |
| Aljo | .27 | .29 |
| Algo Cop | .25 | .28 |
| Amal Kir | .16½ | .17½ |
| Amal Lar | .65 | .67 |
| Amicmica | .37 | .40 |
| Ana'que | .13 | .15 |
| Area | .10 | .11 |
| Arntfield | .01¾ | .02¼ |
| Athona | .. | .03¼ |
| Banca | .49 | .52 |
| Bar Lard | .10½ | .12 |
| Brengold | .01 | .. |
| Brock | .10 | .11 |
| Calder Bo | .04 | .05½ |
| Cen Man | .03 | .03¾ |
| Cheminis | .13½ | .14½ |
| Classic S | .17 | .20 |
| Clift Con | .17 | .20 |
| Cock R L | .06½ | .06½ |
| Coin Lake | .11 | .12 |
| Columbier | .15 | .18 |
| Con Chib | .. | .10 |
| Crowshore | .03 | .04½ |
| Dack Crk | .07 | .08 |
| Detomac | .27 | .32 |
| De Santis (new) | .08½ | .10 |
| Dom Nick | .18 | .20 |
| Dona Pat | .07½ | .08 |
| Eastward | .15 | .18 |
| Electra | .09 | .11 |
| Enter Fi | 1.40 | 1.45 |
| Goodrock | .02½ | .03½ |
| G L Iron | .16 | .19 |
| Gunflint | .12 | .15 |
| Harp Mal | .04½ | .05½ |
| Hayes Cad | .04 | .04½ |
| Highridge | .07½ | .10 |
| Hoyle n'w | .14 | .15 |
| Hugh P P | .06½ | .08 |
| Laguerre | .20 | .22 |
| Lk Geneva | .04 | .06 |
| Lar-Add | .07 | .08 |
| Larder U | .14 | .17 |
| Largold | .15 | .18 |
| Legardo | .17 | .19 |
| Magn Con | .25 | .27 |
| Marbenor | .19 | .21 |
| Mar Bird | .06½ | .07 |
| Mat Con | .10 | .13 |
| Metalore | .05½ | .09 |
| Mi-Co-Oil | .21 | .23 |
| Moffatt H (new) | .05 | .06 |
| Mosher | .13 | .15 |
| Moosewd | .08 | .10 |
| McManus | .04 | .05 |
| McMarma | .15 | .16 |
| Nat Mal | .30 | .32 |
| Naybob | .02¾ | .03¼ |
| New Aug | .39 | .42 |
| Nick Off | 1.05 | 1.20 |
| Norbeau | .45 | .49 |
| Norseman | .09½ | .12½ |
| North Tin | .02 | .03 |
| Oklend | .08 | .09 |
| O'L Mala | .07 | .08 |
| Opemiska | .08 | .11 |
| Orpit | .05 | .06 |
| Pascalis | .31 | .34 |
| Pelangio | .08½ | .09½ |
| Pontiac R (old) | .12 | .14 |
| Pt Coldw | .40 | [illegible] |
| Presdor | .03¾ | .04½ |
| Propriet | 9.00 | [illegible] |
| Que Man | .21½ | [illegible] |
| Rand Mal | .28 | [illegible] |
| Raylartic | .23 | [illegible] |
| Rebair | .43 | [illegible] |
| Rhyolite | .01½ | [illegible] |
| Ritoria | .05½ | [illegible] |
| Rou D'Or | .12 | .. |
| S.A.G.A. | .40 | .50 |
| Sheldon | .21 | .22 |
| Springer | .66 | [illegible] |
| Stadacona | .15 | .. |
| Thomso L | .15 | .17 |
| Tom Iron | .. | .65 |
| Tombill | .11 | .13 |
| Tovarich | .09½ | .09¾ |
| Un Mining | .07 | .09 |
| Wesley | .02½ | .02¾ |
| West Shor | .03½ | .04½ |
| Y Davids | .30 | .32 |

## Oil Royalties

*Producing Wells — Prices and Payments*

| | Sept. daily quota bbls.§ | Mar. 15 daily quota bbls.§ | July pay. 1% $ | Aug. pay. 1% $ | Sept. pay. 1% $ | Total to Sept. 30 1% $ | Offering price* per 1% $ |
|---|---|---|---|---|---|---|---|
| Ace No. 1 gross | 300 | 386 | 140.37 | 147.67 | 128.91 | 5,563.95 | .... |
| Alta. Oil Inc. No. 1 gr. | 65 | 65 | 27.60 | 26.00 | 22.40 | 3,868.00 | .... |
| Do., No. 1 net | 65 | 65 | 20.40 | 21.20 | 17.20 | 4,344.40 | .... |
| Do., No. 2 gr. | 300 | 389 | 132.60 | 137.60 | 136.40 | 5,661.80 | 4,500 |
| Do., No. 2 net | 300 | 380 | 98.40 | 96.40 | 97.60 | 7,013.40 | .... |
| Allied No. 1 pfd. | 80 | 93 | 35.27 | 37.51 | 39.32 | 1,861.87 | 1,000 |
| Arrow No. 1 net | 115 | 135 | 18.00 | 41.00 | .... | 1,097.15 | 1,300 |
| Do., No. 2 net | 150 | 170 | 51.00 | 57.00 | .... | 1,991.20 | 1,800 |
| Atlas No. 1 net pfd. | 80 | ... | 36.00 | 17.00 | .... | ...... | .... |
| Atlas-Br. D. No. 2 net | 400 | 450 | 199.20 | 150.00 | .... | ...... | 5,300 |
| Atlas-Br. D. No. 3 pfd. | 350 | 430 | 63.60 | 182.80 | .... | ...... | 5,600 |
| East Crest No. 5 | 115 | 115 | 46.40 | 50.40 | 48.40 | 872.40 | 1,800 |
| Empire pfd.■ | ... | ... | .... | .... | .... | ...... | 1,100 |
| Independent No. 1 pfd. | 200 | 200 | 102.74 | 106.43 | 86.14 | ...... | 3,200 |
| Do., No. 1 gr. | 200 | 200 | 94.34 | 94.43 | 75.17 | 2,993.62 | .... |
| Major Oil No. 1 pfd. | 50 | 95 | 13.60 | 53.20 | 26.80 | 1,149.30 | .... |
| Do., No. 1 gr. | 50 | 95 | 22.40 | 46.40 | 23.60 | 1,975.00 | .... |
| Do., No. 2 net | 300 | 350 | 104.40 | 103.60 | 90.40 | 5,775.20 | .... |
| Do., No. 2 gr. | 300 | 350 | 144.40 | 138.80 | 130.80 | 7,498.20 | 4,700 |
| Do., No. 3 net | 450 | 588 | 168.80 | 168.00 | 144.00 | 8,139.60 | .... |
| Do., No. 3 gr. | 450 | 588 | 223.60 | 223.60 | 192.00 | ...... | .... |
| Do., No. 4 pfd. | 45 | 125 | .... | 35.60 | 42.00 | ...... | 1,200 |
| Do., No. 4 gr. | 45 | 125 | 19.20 | 32.80 | 38.40 | ...... | .... |
| Do., No. 6 pfd. | † | ... | .... | .... | .... | ...... | 2,100 |
| Do., No. 6 gr. | † | ... | .... | .... | .... | ...... | .... |
| Do., No. 7 pfd. | 350 | 500 | 193.60 | 225.20 | 194.40 | 2,984.00 | 6,300 |
| Do., No. 7 gr. | 350 | ... | 168.80 | 196.40 | 168.00 | ...... | .... |
| Do., No. 7 dfd. | 350 | 500 | .... | .... | .... | ...... | 4,000 |
| Do., No. 8 pfd. | 180 | 225 | 108.40 | 114.40 | 93.60 | 1,214.00 | 3,500 |
| Do., No. 8 gr. | 180 | 225 | 84.40 | 121.60 | 68.40 | 1,566.40 | .... |
| Do., No. 8 dfd. | 180 | 225 | .... | .... | .... | ...... | 1,300 |
| Do., No. 9 gr. | 200 | 320 | 96.80 | 124.40 | 133.60 | 2,428.20 | 4,400 |
| Do., No. 9 pfd. | 200 | 320 | 99.60 | 129.60 | .... | 1,163.60 | 4,100 |
| Do., No. 9 dfd. | 200 | 320 | .... | .... | .... | ...... | 1,300 |
| Maryland, pfd. | 130 | ... | .... | .... | .... | ...... | 2,500 |
| Miracle No. 1 net | 320 | 300 | 103.60 | 91.05 | 84.47 | 5,914.85 | 3,200 |
| Do., No. 1 gr. | 320 | 300 | 143.09 | 142.40 | 126.00 | 6,063.59 | 4,700 |
| Do. No. 2 pfd. | 135 | 200 | 71.11 | 65.44 | .... | ...... | 2,300 |
| Do., No. 2 gr. | 135 | 200 | 62.61 | 62.40 | .... | ‡1,569.78 | .... |
| Miracle No. 3 pfd. | 300 | ... | .... | .... | .... | ...... | 2,300 |
| Do., No. 3 gr. | 300 | ... | 138.62 | 145.66 | .... | ...... | 5,100 |
| National Vulcan | 150 | ... | .... | .... | .... | ...... | 2,300 |
| Twin City No. 2 gr. | 180 | ... | 93.47 | 84.99 | .... | ...... | .... |

* Approximately 25% over dealers' bid price. § Approximate. ‡ To Aug. 31. † Testing. ■ Ontario Acreage Royalty.

## Wheat Prices

### Winnipeg Grain Futures

Week of November 1, 1943

| Crop year from Aug. 1, 1943 High | Low | | High for week | Low for week | Close Nov. 1 |
|---|---|---|---|---|---|
| **Oats*** | | | | | |
| .51½ | .51½ | Oct. | .51½ | .51½ | .51½ |
| .51½ | .51½ | Dec. | .51½ | .51½ | .51½ |
| .51½ | .51½ | May | .51½ | .51½ | .51½ |
| **Barley*** | | | | | |
| .64¾ | .64¾ | Oct. | .64¾ | .64¾ | .64¾ |
| .64¾ | .64¾ | Dec. | .64¾ | .64¾ | .64¾ |
| .64¾ | .64¾ | May | .64¾ | .64¾ | .64¾ |
| **Rye** | | | | | |
| 1.12⅞ | .90¾ | Oct. | 1.12½ | 1.10⅞ | ... |
| 1.13⅛ | .90⅜ | Dec. | 1.12⅝ | 1.10⅜ | 1.12⅝ |
| 1.14⅛ | .92½ | May | 1.12⅞ | 1.10¾ | 1.12⅞ |

* At ceiling.

### Cash Quotations

| | For Week Nov. 1, 1943 High | Low | Prev. week High | Low |
|---|---|---|---|---|
| **Oats*:** | | | | |
| 2 C. W. | .51½ | .51½ | .51½ | .51½ |
| 3 C. W. | .51½ | .51½ | .51½ | .51½ |
| **Barley*:** | | | | |
| 1 Feed | .64¾ | .64¾ | .64¾ | .64¾ |
| 2 Feed | .64¾ | .64¾ | .64¾ | .64¾ |
| **Rye:** | | | | |
| 2 C. W. | 1.12⅝ | 1.10½ | 1.11¾ | 1.10⅝ |

* At ceiling prices.

## Significant Investors' Index Numbers

| No. of Securities | Mach. and equip. 8 | Pulp and paper 7 | Milling 3 | Oils 4 | Textiles and clothing 10 | Food and allied prod. 12 | Beverages 7 | Bldg. mater. 15 | Power and traction 14 | Banks 8 | Total utilities 18 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *1935 to date: (Base 1935-39=100) | | | | | | | | | | | |
| High | 134.5 | 234.4 | 149.7 | 123.7 | 135.7 | 118.3 | 150.0 | 153.4 | 146.8 | 118.2 | 145.0 |
| Low | 69.7 | 51.6 | 61.2 | 41.2 | 78.4 | 73.5 | 79.3 | 68.7 | 60.2 | 69.0 | 65.2 |
| 1943: Monthly Figures: | | | | | | | | | | | |
| Jan. | 90.3 | 75.3 | 82.4 | 62.9 | 114.3 | 88.2 | 109.7 | 84.0 | 88.5 | 76.7 | 90.0 |
| Feb. | 94.0 | 75.8 | 88.3 | 67.2 | 117.4 | 88.1 | 111.8 | 85.0 | 88.0 | 78.6 | 88.0 |
| Mar. | 96.7 | 77.1 | 89.5 | 65.6 | 118.1 | 81.6 | 113.9 | 85.3 | 88.6 | 80.2 | 92.1 |
| April | 100.8 | 79.6 | 93.3 | 67.7 | 121.1 | 87.4 | 128.2 | 89.5 | 95.8 | 80.9 | 101.4 |
| May | 104.0 | 89.3 | 91.8 | 67.9 | 119.9 | 88.7 | 128.1 | 91.4 | 101.0 | 80.5 | 106.2 |
| June | 108.6 | 94.7 | 96.0 | 73.2 | 124.0 | 89.4 | 133.5 | 93.1 | 111.1 | 81.4 | 111.1 |
| July | 110.5 | 106.8 | 94.1 | 84.9 | 126.0 | 91.5 | 137.9 | 94.5 | 111.3 | 84.7 | 112.4 |
| Aug. | 109.4 | 104.8 | 92.2 | 82.1 | 125.9 | 93.4 | 138.0 | 93.3 | 109.0 | 82.7 | 109.5 |
| Sept. | 111.4 | 104.7 | 91.9 | 83.5 | 126.1 | 93.4 | 138.5 | 92.6 | 110.8 | 82.8 | 110.3 |
| 1943: Weekly Figures: | | | | | | | | | | | |
| Oct. 7 | 111.3 | 104.4 | 90.7 | 82.1 | 126.4 | 94.8 | 140.8 | 91.0 | 110.3 | 81.7 | 109.1 |
| Oct. 14 | 111.6 | 103.6 | 85.0 | 81.7 | 124.8 | 93.4 | 139.9 | 89.9 | 101.2 | 82.0 | 103.5 |
| Oct. 21 | 111.2 | 101.1 | 88.9 | 80.9 | 124.1 | 91.7 | 144.8 | 90.5 | 101.6 | 81.2 | 103.9 |
| Oct. 28 | 109.2 | 102.9 | 88.2 | 79.6 | 123.0 | 94.3 | 150.0 | 91.7 | 96.1 | 80.2 | 100.5 |

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

### Toronto Stock Exchange Index

| | 20 Indust. | 20 Golds | 10 B.M. | 15 W.O. |
|---|---|---|---|---|
| Nov. 2 | 121.87 | 98.67 | 71.76 | 28.61 |
| Nov. 1 | 121.86 | 98.61 | 72.42 | 28.51 |
| Oct. 30 | 121.48 | 97.01 | 72.65 | 28.31 |
| Oct. 29 | 121.68 | 97.00 | 72.86 | 28.20 |
| Oct. 28 | 121.74 | 97.33 | 73.09 | 28.17 |
| Oct. 27 | 122.36 | 97.41 | 73.21 | 28.15 |
| Month ago | 124.02 | 99.27 | 74.46 | 26.62 |
| Year ago | 89.96 | 53.33 | 61.59 | 16.25 |
| High 1943 | 124.66 | 100.99 | 76.40 | 28.61 |
| Low 1943 | 98.88 | 70.64 | 63.57 | 18.14 |

### Montreal Stock Exchange Averages

| | 10 Util. | 20 Ind. | 30 Cmd. | 10 Ppss. |
|---|---|---|---|---|
| Nov. 2 | 56.2 | 77.6 | 70.4 | 114.03 |
| Nov. 1 | 56.4 | 78.4 | 71.1 | 114.43 |
| Oct. 30 | 56.2 | 78.7 | 71.2 | 108.96 |
| Oct. 29 | 56.0 | 78.5 | 71.0 | 112.06 |
| Oct. 28 | 56.4 | 78.3 | 71.0 | 113.49 |
| Oct. 27 | 56.4 | 78.0 | 70.8 | 112.32 |
| Month ago | 62.3 | 80.0 | 74.1 | 118.05 |
| Year ago | 43.6 | 55.8 | 31.7 | 59.49 |
| High 1943 | 63.5 | 82.4 | 75.9 | 129.86 |
| Low 1943 | 51.8 | 63.4 | 59.5 | 74.07 |

# STOCKS NOT TRADED THIS WEEK

| | Div. rate $ | Last sale | Nov. 1 Bid | Ask |
|---|---|---|---|---|
| [illegible] | | | | |
| Traders Bldg. | ... | 46¼ | 46 | 60 |
| Traders Fin. (A) | ... | 12 | 9¾ | .. |
| Do. (B) | ... | 8 | 9¾ | .. |
| Do., pref. | 6 | 88 | 85 | 95 |
| Do. (A) rights | 1 | 9¼ | 15 | 19 |
| Do. (B) rights | 1 | 9¼ | 15 | .. |
| Tuckett Tob., p. | 7 | 152 | 150 | .. |
| Twin City | ... | 6¾ | 6¾ | 8¼ |
| Do., pref. | 5.25* | 80 | 76¼ | .. |
| Un. Amuse, (A) | .80 | 16 | 16 | .. |
| Do. (B) | .80 | 16 | 16 | .. |
| United Corp. (A) | 1.50 | 22¼ | 22¼ | 25 |
| United Distill. | .10* | 2.25 | 1.50 | 2.50 |
| United Secs. | ... | 8¼ | 4¼ | 7¼ |
| Viau Bisc., c. | ... | 5¼ | .. | 6 |
| Wellington Fire | 2.50+1 | .. | 58¼ | .. |
| W. Koot. Pr., p. | 7 | 150 | 140 | .. |
| West. Breweries | .15 | 5.15 | 5.15 | .. |
| West Grain | ... | 1 | .. | .. |
| Do., pref. | .. | 25 | .. | .. |
| West Grocers | 3+2 | 85 | 71 | 85 |
| Do., pref. | 7 | 125 | 121 | .. |
| Wood, A&J, p. | 7 | 92 | 95 | .. |
| Woods Mfg., pf. | ... | 97 | 95 | .. |
| York Knitting, 1st p | 7 | .. | 100 | .. |
| Zellers, pf. | 1.50 | 26 | 26¼ | 27 |

*Interim dividends paid in 1943. ♦Paid in 1942. ▴On arrears. †Initial. ° Net after corporate income tax.

### Mining Stocks

| | Div. rate $ | Last sale | Nov. 1 Bid | Ask |
|---|---|---|---|---|
| Arno | ... | .02½ | .02 | .02½ |
| Bayonne | ... | .03¾ | .04 | .07 |
| Beaufor | ... | .07 | .06 | .07 |
| Bouscadillac G. M. | ... | .02½ | .03 | .03½ |
| Brazil Gold | ... | .01½ | .. | .. |
| Bunker Hill | ... | .02½ | .02½ | .03¾ |
| Coast Copper | ... | 1.30 | 1.35 | 1.50 |
| Coniagas | ... | 1.25 | 1.11 | 1.50 |
| Delnite | †.03 | .80 | .65 | .80 |
| Denison Nickel | ... | .03½ | .02½ | .03½ |
| Dentonia | ... | .00½ | .. | .00½ |
| Flin Flon | ... | .02½ | .01½ | .02 |
| Golconda | ... | .04 | .04 | .05 |
| Gold Belt | ... | .20 | .19 | .. |
| Goodfish | ... | .01¾ | .01½ | .02½ |
| Graham Bosquet | ... | .02¾ | .02¾ | .03 |
| Grandview | †.01 | .12 | .12 | .. |
| Great Falls M. | ... | .03½ | .02½ | .. |
| Grull Wihksne | ... | .03 | .03 | .03½ |
| Indian Mines | ... | .01½ | .. | .01½ |
| Island Mountain | †.05 | .85 | .75 | .85 |
| Jellicoe | ... | .04 | .04 | .04½ |
| Kerr Lake | †.05 | .18 | .18 | .. |
| Kirk. Hud. Bay | ... | .30 | .30 | .35 |
| Man. & Eastern | ... | .01¾ | .01½ | .01¾ |
| McGillivray C. | †.01 | .22 | .21 | .23 |
| Mentor Exploration | ... | .15 | .13 | .. |
| Minto Gold | ... | .02 | .01½ | .02 |
| Northern Empire | .20 | 1.50 | 1.50 | 2.00 |
| Pacific Nickel | ... | .09 | .. | .. |
| Pandora | ... | .05 | .06 | .06½ |
| Pato Cons. G. | †.15 | 3.15 | 3.05 | 3.25 |
| Placer Devel. | †.25 | 10.00 | 10.00 | .. |
| Privateer | .07 | .32 | .30 | .32 |
| Prospectors Air's | ... | .23 | .15 | .40 |
| Quatsino | ... | .02½ | .02½ | .. |
| Quebec Gold | †.02 | .25 | .26 | .30 |
| Quemont | ... | .09 | .07 | .. |
| Red Crest | ... | .02½ | .02½ | .05 |
| Silbak Prem. | †.13 | .73 | .. | .80 |
| South. Amer. Gold | .20 | 4.15 | .. | .. |
| Sturgeon River | ... | .16 | .16 | .20 |
| Sunloch | ... | .27 | .. | .30 |
| Surf. Inlet | ... | .06½ | .05½ | .. |
| Taylor Bridge | ... | .04 | .. | .05 |
| Uchi Bonds | ... | 36.00 | 32.00 | 34.00 |
| Wendigo | ... | .21 | .22 | .23 |
| Winnipeg R. Tin | ... | .01 | .00½ | .01 |

### Oil Stocks

| | Div. rate $ | Last sale | Nov. 1 Bid | Ask |
|---|---|---|---|---|
| Amalgamated | ... | .10 | .. | .. |
| Anaconda | ... | .04¾ | .05 | .05½ |
| Brown Oil debs. | ... | 30.00 | .. | 30.00 |
| Commoil | †.01½ | .23 | .23 | .26 |
| Grease Creek | ... | .02½ | .01 | .. |
| Madison | ... | .02½ | .. | .03 |
| Marjon | ... | .00¾ | .. | .01½ |
| Oil Selections | ... | .03¾ | .03½ | .04½ |
| Petrol Oil & Gas | .02 | .25 | .. | .. |
| Royal Canadian | ... | .03½ | .. | .03½ |
| Texas Can. | ... | 1.70 | 1.00 | 1.85 |
| Vanalta | ... | .07¾ | .07½ | .. |

†Interim paid in 1943.

## Supplementary Stock Quotations

(Furnished by Plaxton, McDonnell & Co., Toronto)

Nov. 2, 1943

| Miscellaneous Stocks: | Bid | Ask. |
|---|---|---|
| *Acme Farmers, pf. | 83¼ | 86¼ |
| Allens Lond. Thea., pfd. | 45 | .. |
| Atlas Steels, 7% 2nd pf | 106 | 108 |
| Brantford Roofing, c | 5 | .. |
| Brinton-Peterboro Cpt. | 50 | 60 |
| Can. Co-op. Wool. | 8 | 10 |
| Can. Fairbanks, com. | 22 | .. |
| *Can. Gen. Rubber, pref. | .. | 21 |
| Can. Investors | 5¾ | 6¼ |
| Can. Paving 1st pfd. | 1¼ | .. |
| Can. West. Lumber, c. | .60 | .. |
| Cawthra Apts. pfd. | 3 | .. |
| *Claude Neon, 7% pfd. | 5¾ | 6¼ |
| Commer. Life 10% pd. | 6 | .. |
| Eastern Steel 5% pref. | 20¼ | 21¾ |
| †Easy Wash., 7% pref. | 10¼ | 11¼ |
| Fed. F'dries & Steel, c. | .20 | .28 |
| Franco Oils | .41 | .48 |
| Highland Dairy, c. | 1 | .. |
| Homewood Sanitarium | 84 | .. |
| Hudson's Bay Ord | 8¼ | 9¼ |
| Insce. Exch. Bldg. c. | 1¼ | 1¾ |
| Milton Brick, com. | .08 | .15 |
| *Monarch Mtge. units | 1¼ | 1¼ |
| Nat. Hosiery com. | .90 | .. |
| Do., pref. | 1.05 | .. |
| †Nor. Amer. Elev. 1st pf. | 89 | 95 |
| *Do., 2nd pref. | 27 | 31 |
| Do., com. | .40 | 2 |
| Nor. Telephone, c. | 1 | .. |
| Numaque Mining | .05 | .. |
| Pacific Coast Terminals | 7¼ | 9 |
| Que. Pulp & Paper pfd. | 24 | 26¼ |
| Ritchie Cut Stone pfd | 1¾ | 4 |
| P. L. Robertson Mfg. c. | 22 | .. |
| Do., $2.50 pfd. | 43 | 45¼ |
| Sawyer-Massey com. | .65 | .95 |
| St. John Dryd. 5½% pfd. | 97 | 100 |
| Sincennes McN. com. | 2 | 2¼ |
| Un. Farmers Co-op. | 3 | 3¼ |
| Waterloo Mfg., com. | .. | 5 |
| Wentworth Radio, pf. | 16 | .. |
| York Trading, com. | 3¼ | 5 |

*Issue carries arrears. †Currently paying on arrears.

## Municipal Bonds

Nov. 2, 1943

| | % | Due | Bid | Ask. | Yld. % |
|---|---|---|---|---|---|
| †Halifax | 5 | 1961 | 116.00 | 119.00 | 3.56 |
| Hamilton | 5 | 1950 | 111.00 | 114.00 | 2.72 |
| Montreal | 5 | 1945 | 98.00 | 102.00 | * |
| Ottawa | 4½ | 1945 | 103.00 | 104.50 | 2.07 |
| †Quebec | 5 | 1959 | 118.00 | 121.00 | 3.30 |
| Saint John | 5 | 1950 | 106.00 | 110.00 | 3.45 |
| †Toronto | 4½ | 1955 | 124.00 | 128.00 | 1.75 |
| †Vancouver | 5 | 1970 | 115.00 | 119.00 | 3.84 |
| Winnipeg | 5 | 1944 | 100.00 | 100.50 | 2.00 |

†Payable Can. & N.Y. *Flat.

## Bond Redemptions

| Bond Issues: | Rate | Rent | Due | Price |
|---|---|---|---|---|
| Eastern Car* | 6% | 1952 | Jan. 1 | 105 |
| Ott. Valley Pwr. | †4% | 1964 | Dec. 1 | 103¼ |
| Gen. Theat. Inv. | 4% | 1944 | Dec. 1 | 102 |
| Do. | 4½% | 1945 | Dec. 1 | 102¼ |
| Do. | 4½% | 1946 | Dec. 1 | 102¼ |

*$57,800. †$111,000.

## Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

November 3, 1943

| Public Utility Issues: | Int. Rate % | Due | Bid Nov. 2 | Ask. | Bid Oct. 26 |
|---|---|---|---|---|---|
| ▴Alg. Cen. H.B.R. | 5 | '59 | 35 | 37¼ | 35 |
| †Assoc. Tel. & T. | 5½ | '55 | 97 | 99¼ | 97¼ |
| B. C. Power | 4½ | '60 | 101¼ | 104 | 102 |
| B. C. Tel. | 4½ | '61 | 108 | 110 | 109 |
| †Calgary Pwr. | 5 | '60 | 111¼ | 113¼ | 111¼ |
| Do. | 5 | '64 | 108¼ | 110¼ | 108 |
| †Can. Nor. Pwr. | 5 | '53 | 107¼ | 109¼ | 108 |
| *Dom. Gas & El. | 6½ | '45 | 110¼ | 112¼ | 110¼ |
| Gatineau Pwr. | 5 | '49 | 101¼ | 103¼ | 101 |
| *Do., A | 3¾ | '69 | 106¼ | 108¼ | 107 |
| ♦Do., B | 3¾ | '69 | 101 | 103¼ | 101 |
| Gt. Lakes Pwr. | 4½ | '56 | 102 | 104¼ | 102 |
| Do. | 5 | '57 | 102 | 104¼ | 102¼ |
| *Int. Hydro-El. | 6 | '44 | 60 | 63 | 63 |
| L. St. Law. Pw. | 5 | '55 | 101 | 103 | 101¼ |
| Macl'n-Que. Pr. | 4 | '59 | 101¼ | 104 | 102 |
| Mtl. L. H. & Pr. | 3½ | '56 | 102¼ | 104¼ | 102¼ |
| Do. | 3½ | '73 | 98¼ | 101 | 99 |
| Do. | 3½ | '63 | 99 | 101 | 99 |
| †Mtl. Tramways | 5 | '51 | 104¼ | 106¼ | 104¼ |
| †Do. | 5 | '55 | 90 | 93 | 92 |
| Nat. Lt. & Pwr. | 4½ | '61 | 100¼ | 103 | 100¼ |
| N. S. Lt. & Pr. | 4 | '57 | 102¼ | 104¼ | 102¼ |
| Ottawa L.H.&P. | 4 | '57 | 102 | 104¼ | 102¼ |
| Ottawa V. Pwr. | 5 | '59 | 102¼ | 104¼ | 102¼ |
| †Power Corp. | 4½ | '59 | 102 | 104¼ | 104 |
| Quebec Pwr. | 4 | '62 | 102 | 104¼ | 103¼ |
| *Saguenay P., A | 4½ | '66 | 114¼ | 116¼ | 115 |
| ♦Do., B | 4½ | '66 | 106 | 108¼ | 107 |
| St. Maurice Pr. | 4½ | '70 | 102¼ | 105 | 103¼ |
| Shaw. W. & Pr. | 4 | '61 | 102 | 104¼ | 103 |
| †Do. | 4½ | '70 | 113¼ | 115¼ | 113¼ |
| Do. | 4 | '69 | 103 | 106 | 104¼ |
| Union Gas | 4½ | '50 | 100¼ | 103 | 100¾ |
| *Twin C. R. Tr. | 5½ | '52 | 104¼ | 107 | 104¼ |
| †United Secs. | 3 | '52 | 95 | 98 | 96 |
| ‡Wpg. El., ser.A | 5 | '65 | 96 | 98¼ | 96 |
| Do., B | 5 | '65 | 93 | 95¼ | 93 |
| **Industrial and Realty Issues:** | | | | | |
| †Abitibi P. & P. | 5 | '53 | 72 | 75 | 73 |
| Do., C.O.D. | 5 | '53 | 71¼ | 74¼ | 72¼ |
| Acadia Sugar | 4½ | '55 | 101 | 103 | 101 |
| Do. | 6 | '54 | 101¼ | 104 | 101¼ |
| †Alta. Pac. Grain | 6 | '46 | 105 | 107 | 105¼ |
| Algoma Steel | 5 | '48 | 104 | 106¼ | 103¼ |
| Atlantic Sugar | 4 | '51 | 101¼ | 103¼ | 101¼ |
| †B. C. Pulp & P. | 6 | '50 | 96 | 99 | 96¼ |
| ‡†Do. | 7 | '50 | 82 | 85 | 82 |
| *Brown Co. | 5 | '59 | 80¼ | 83¼ | 80¼ |
| Burns & Co. | 5 | '58 | 83 | 86 | 82¼ |
| Canada Cement | 4½ | '51 | 102 | 104¼ | 102¼ |
| Canada Electric | 4½ | '63 | 99¼ | 102 | 99¼ |
| Can. Paper | 4½ | '52 | 100 | 102¼ | 85¼ |
| Can. Steamship | 5 | '57 | 104 | 106 | 104 |
| Can. Canners | 4 | '51 | 102 | 104 | 102 |
| *Can. Int. Paper | 6 | '49 | 109¼ | 111¼ | 110 |
| ‡Can. Locomotive | 6 | '53 | 103¼ | 106 | 103¼ |
| ‡†Candn. Vickers | 6 | '47 | 98 | 100¼ | 98 |
| C. P. R. | 3½ | '51 | 101¼ | 103¼ | 101¼ |
| Do. | 4 | '49 | 104¼ | 106¼ | 105 |
| †Consol. Paper | 5½ | '61 | 85¼ | 88¼ | 85¼ |
| Dom. Coal | 4½ | '52 | 100¼ | 102¼ | 100¼ |
| Dom. Scott. Inv. | 4 | '52 | 100 | 102 | 100 |
| Dom. Stl. & C. | 6½ | '55 | 104¼ | 107 | 104¼ |
| Dom. Tar | 4½ | '51 | 103 | 105¼ | 103 |
| Dom. Woollens | 6 | '53 | 99¼ | 102 | 99¼ |
| †Donnacona Pap. | 4½ | '56 | 86¼ | 89¼ | 87 |
| *Dryden Pap. | 6 | '49 | 104¼ | .. | 104¼ |
| †East. Dairies | 6 | '49 | 93 | .. | 92¼ |
| Famous Players | 4½ | '51 | 103 | 105 | 103 |
| †Federal Grain | 6 | '49 | 106¼ | 108¼ | 106¼ |
| †Fraser Cos. | 6 | '50 | 104 | 106 | 104 |
| Galt Brass | 5 | '50 | 96¼ | 99¼ | 96¼ |
| Gen. Stl. Wares | 4½ | '52 | 101 | 103¼ | 101 |
| *Great L. Paper | 5 | '55 | 101¼ | 104 | 101 |
| *Gurney Fdry. | 5½ | '49 | 95 | 98 | 95 |
| †Gypsum Lime | 5½ | '48 | 104¼ | 107 | 104¼ |
| Ham. By-Pr. C. | 5 | '55 | 103 | 105¼ | 103 |
| Do. | 6 | '56 | 102¼ | 105 | 102¼ |
| Ham. Cotton | 3 | 1944-'53 | 98 | 100 | 101¼ |
| Inter-City Bak. | 5½ | '48 | 102¼ | 104¼ | 102¼ |
| Indust. Accept. | 4 | '52 | 97 | 99 | 97 |
| Ins. Ex. Bldg. | 3 | '51 | 58 | .. | 58 |
| *Inter. P. Nfld. | 5 | '68 | 100¼ | 103 | 100¼ |
| *Inv. Bond & Sh. | 5 | '47 | 52 | .. | 52 |
| †Kingston Elev. | 6 | '50 | 105 | .. | 105 |
| Lake St. J. P. | 5½ | '61 | 95¼ | 98 | 95¼ |
| Do. | 5 | '61 | 73 | 76 | 73 |
| Legare | 6 | '61 | 95¼ | .. | 95¼ |
| Maple L. M. | 3 | '58 | 100¼ | 103 | 100¼ |
| Man. Sugar | 5 | '60 | 105 | 108 | 105 |
| Massey-Harris | 4½ | '54 | 101¼ | 103¼ | 100¼ |
| McColl-Fron. | 4½ | '49 | 102 | 104¼ | 102 |
| McCormicks | 4 | '52 | 100 | 103 | 100 |
| Do. | 4½ | '52 | 100¼ | 103 | 101 |
| Mercury Mills | 5 | '59 | 101¼ | 103¼ | 101¼ |
| Mersey Paper | 5 | '57 | 96¼ | 99 | 96¼ |

## Annual Meetings

| 1943 | Company | Place |
|---|---|---|
| Nov 5 | St. Law. Flour Mills | Montreal |
| Nov. 11 | Wright-Harg. M. | Kirkland Lake |
| Nov. 15 | Consumers' Gas | Toronto |
| Nov. 24 | Imperial Bank | Toronto |
| Nov. 26 | Anglo-Huronian | Toronto |
| Dec. 8 | Dominion Bank | Toronto |
| Dec. 14 | Candn. Bk. of Commerce | Toronto |

## Commodities

| | Latest week | Previous week | Same week last yr. |
|---|---|---|---|
| Cattle | $11.01 | $11.00 | $9.93 |
| Hogs | 16.75 | 16.75 | 16.40 |
| Copper, lb. | *.12 | .12 | .12 |
| Cotton, lb. | .2086 | .2089 | .2002 |
| Sugar, raw, lb. | *.0374 | .0374 | .0374 |
| Coffee, lb. | *.09⅜ | .09⅜ | .09⅜ |
| Hides | *.15½ | .15½ | .15½ |
| **Weekly Indices** | | | |
| U. S. Labor | 102.9 | 102.9 | 99.7 |
| Dow Jones (fut.) | 94.52 | 94.10 | 84.01 |
| Fishers' | 111.3 | 111.2 | 108.4 |
| **Monthly Indices** | | | |
| Canada (D.B.S.): | | | |
| Retail (Sept.) | 119.4 | 119.2 | 117.4 |
| W'sale (Sept.) | 101.2 | 100.4 | 95.8 |
| U. S. (Aug.) | 103.1 | 103.2 | 99.2 |
| Gt. Brit. (July) | 164.0 | 163.1 | 160.3 |

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic, New York, No. 7 coffee. Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

## Corporation Bonds (Cont'd)

| | Int. Rate % | Due | Bid Nov. 2 | Ask. | Bid Oct. 26 |
|---|---|---|---|---|---|
| †Do. | 6 | '49 | 97¼ | 100 | 97¼ |
| *M. & O. Paper | 5 | '60 | 108¼ | 110¼ | 109 |
| Moirs Ltd. | 6 | '53 | 93 | .. | 93 |
| ‡Mtrl. Drydocks | 6 | '48 | 96 | 99 | 97 |
| Montreal Apts. | 4 | '54 | 56 | 59 | 56 |
| N. S. Stl. Coal | 3½ | '63 | 86 | 89 | 86 |
| Price Bros. | 5 | '57 | 102 | 104 | 101¼ |
| Do. | 4 | '57 | 94¼ | 97 | 94¼ |
| *Prov. Paper | 5½ | '47 | 104 | 107 | 104 |
| Reliance Grain | 4½ | '52 | 100 | 102¼ | 100 |
| †Restigouche Co. | 6 | '48 | 104 | 106 | 104 |
| Rolland Paper | 4½ | '51 | 102 | 104 | 102 |
| Ruddy, E. L. | 6½ | '48 | 99 | 102 | 99 |
| Silv. Dairies | 6 | '66 | 99 | .. | 98¼ |
| Simpsons, Ltd. | 4½ | '51 | 101¼ | 104 | 101¼ |
| Smith, Howard | 4½ | '51 | 102¼ | 103 | 103 |
| Stand. Lime | 6 | '44 | 99 | .. | 99 |
| Sterling Coal | 6 | '45 | 100 | 103 | 100 |
| Stop Shop | 3 | '47 | 79 | 82 | 77¼ |
| United Amuse. | 5 | '56 | 102 | 105 | 102¼ |
| United Corp. | 4 | '58 | 97¼ | 100 | 97½ |
| *United Gas | 5½ | '48 | 107¼ | 110¼ | 107¼ |
| United Gr. Grs. | 4½ | '58 | 99¼ | 102 | 99¼ |
| †Western Grain | 5 | '63 | 79¼ | 82¼ | 79¼ |

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
°Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▴Payable in Canada or U. K.

## Public Utility Earnings

Canada Northern Power Corp.
September

| | 1943 | 1942 |
|---|---|---|
| Gross earnings | $336,708 | $365,465 |
| Less: Oper. exps. | 124,042 | 143,890 |
| Net earnings | 212,666 | 221,575 |
| **Nine Months Ended Sept. 30** | | |
| Gross earnings | $3,181,926 | $3,413,595 |
| Less: Oper. exps. | 1,238,478 | 1,351,378 |
| Net earnings | 1,943,448 | 2,062,217 |

Note—Operating expenses do not include income and excess profit taxes.

## Investment Trusts

| | Bid | Asked |
|---|---|---|
| Affiliated Funds | 3.23 | 3.34 |
| Can. Int. Trust | 4.50 | 5.25 |
| Can. Invest. Fund | 3.75 | 4.05 |
| Can. Investors | 5.50 | 6.25 |
| Corp. Investors | 6.40 | 6.85 |
| Trans-Canada | 11.25 | 12.25 |

## Dividends Declared

| | This payment $ | Date payable | Date of record |
|---|---|---|---|
| Ang. Can. Tel., A | .15 | Dec. 1 | Nov. 10 |
| Amal. Electric | .30 | Jan. 2 | Nov. 30 |
| Aluminium | 2+2 | Dec. 6 | Nov. 10 |
| Do., pref. | †1.50 | Dec. 1 | Nov. 5 |
| Atlas Steels 2nd pf. | 1.75 | Nov. 15 | Nov. 1 |
| Aunor Gold M. | .05 | Dec. 1 | Nov. 8 |
| Bk. Can. Nationale | 1.50 | Dec. 1 | Nov. 15 |
| Bruck S. Mills | ▪.10 | Dec. 15 | Nov. 15 |
| Bank of Montreal | 1.50 | Dec. 1 | Oct. 30 |
| Bank of Toronto | 2.50 | Dec. 1 | Nov. 15 |
| Brazilian Tr. ord. | 1 | Dec. 1 | Oct. 14 |
| Bathurst Pr. & P., A | .25 | Dec. 1 | Oct. 29 |
| Belding Cort. | 1 | Jan. 3 | Nov. 30 |
| Do., pref. | 1.75 | Jan. 3 | Nov. 30 |
| Canada Dry | †1.25 | Dec. 10 | Nov. 24 |
| Canada Iron. pfd. | 3 | Nov. 15 | Oct. 31 |
| Can. Fdrs. Forg. A | 37½ | Dec. 15 | Dec. 1 |
| Do., (B) | 1.50 | Dec. 16 | Dec. 1 |
| Can. Nor. Power | ▪.15 | Jan. 25 | Dec. 20 |
| Do., pref. | ▪1.75 | Jan. 15 | Dec. 20 |
| Can. Fairb. M. c. | .25+.50 | Dec. 1 | Nov. 15 |
| Can. For. Invest. pf. | ▪2 | Jan. 1 | Dec. 1 |
| Can. Ind. Alc. A B | .25 | Dec. 6 | Nov. 5 |
| Can. Bakeries, pfd. | 1.25 | Dec. 1 | Oct. 30 |
| Can. Breweries, pfd | .85 | Jan. 1 | Nov. 15 |
| Can. & For. Secs. | .06 | Feb. 1 | Jan. 17 |
| Can. Food Prod. | .50 | Jan. 1 | Nov. 30 |
| Chase A. W. pfd. | .50 | Nov. 10 | Oct. 31 |
| Corr. Paper Box pf. | 1.75 | Dec. 1 | Oct. 30 |
| Cockshutt Plow | .25 | Dec. 1 | Oct. 30 |
| Crow's Nest Coal | 1.50 | Dec. 2 | Nov. 8 |
| Canadian Oil, c. | .25 | Nov. 15 | Nov. 1 |
| Do., extra | .20 | Dec. 15 | Dec. 1 |
| Crown Cork | .50 | Nov. 15 | Oct. 15 |
| Can. Int. Inv. Tr. p. | .50 | Dec. 1 | Nov. 1 |
| Consumers Glass | .50 | Nov. 30 | Oct. 29 |
| Corporate Inv., A, B | .12 | Nov. 15 | Oct. 29 |
| Cosmos Imperial | .30 | Nov. 15 | Oct. 30 |
| Dom. Bridge | .30 | Nov. 25 | Oct. 30 |
| Dom. Ang. Inv. pf. | 1.25 | Dec. 1 | Nov. 15 |
| Dom. Coal pfd. | ▴1.88 | Jan. 2 | Dec. 10 |
| Dom. Scot. Inv. pfd. | .50 | Dec. 1 | Nov. 2 |
| Dom. Stores | .10 | Dec. 20 | Nov. 24 |
| Dover Indust. | .20 | Nov. 1 | Oct. 15 |
| East. Steel, c. | .25 | Dec. 1 | Nov. 10 |
| Gen. St. Wares, p. | 1.75 | Nov. 15 | Oct. 22 |
| Granby Cons. M. S. | ▪†.15 | Dec. 1 | Nov. 15 |
| Granby El. Web. pf. | .69 | Nov. 2 | Oct. 15 |
| Gt. Lakes Pap. A, B p. | .75 | Dec. 31 | Dec. 1 |
| Howey Gold | .01 | Dec. 10 | Oct. 30 |
| Hudson's Bay, pfd. | 10s | Jan. 1 | ....... |
| Ham. Cotton, c. | .22½ | Dec. 1 | Oct. 30 |
| Hayes Steel | .50 | Nov. 12 | Nov. 1 |
| Hudson Bay M. S. | 1 | Dec. 13 | Nov. 9 |
| Inter. Nickel, c. | .50 | Dec. 31 | Dec. 1 |
| Imp. Tob. ord. | .10 | Dec. 31 | Nov. 16 |
| Italo-Arg. Elec. p. | 3.50p. | Nov. 8 | coup. 50 |
| Inter. Power pfd. | 1.75 | Jan. 3 | Dec. 10 |
| Do., arrears | 5 | Nov. 30 | Nov. 10 |
| Lake of W. Mill. | .30 | Dec. 1 | Nov. 3 |
| Do., pref. | 1.75 | Dec. 1 | Nov. 3 |
| Lake Shore Mines | .20 | Dec. 15 | Nov. 15 |
| Langley's pref. | ▪.50 | Dec. 11 | Dec. 3 |
| Laura Secord | ▪.20 | Dec. 1 | Nov. 1 |
| London West. Trust | 1 | Nov. 15 | Oct. 31 |
| Leitch Gold | .02 | Nov. 15 | Oct. 15 |
| Loblaw Groc., A, B | .25+.12½ | Dec. 1 | Nov. 2 |
| Montreal Cottons | 1 | Dec. 15 | Nov. 15 |
| Do., pref. | 1.75 | Dec. 15 | Nov. 15 |
| McIntyre Porc. | .55½ | Dec. 1 | Nov. 1 |
| Do., extra | 1.11 | Jan. 3 | Nov. 1 |
| Mitchell Robt. | 1 | Dec. 15 | Nov. 15 |
| Mtge. Corp. N. S. | 1.25 | Nov. 2 | Oct. 24 |
| National Biscuit p. | †1.75 | Nov. 30 | Nov. 12 |
| Nor. Empire Mines | .20 | Dec. 15 | Nov. 12 |
| N.S. Lt. & Pr. pf. | 1.50 | Dec. 1 | Nov. 13 |
| Ogilvie Flour, pf. | 1.75 | Dec. 1 | Oct. 29 |
| Ogilvie Flour, c. | .25 | Jan. 3 | Nov. 26 |
| Ont. Silknit, pfd. | ▴1 | Nov. 15 | Nov. 1 |
| Ont. Steel Prod. | .25 | Nov. 15 | Oct. 15 |
| Do., pref. | 1.75 | Nov. 15 | Oct. 15 |
| Paymaster Cons. | ▪.01 | Jan. 10 | Dec. 10 |
| Penmans | .75 | Nov. 15 | Oct. 15 |
| Pickle Crow G. | .05 | Dec. 31 | Nov. 30 |
| Proprietary Mines | .05 | Nov. 8 | Oct. 8 |
| Powell Rouyn | .02 | Dec. 1 | Nov. 15 |
| Privateer Mine | ▪.01 | Nov. 10 | Oct. 25 |
| Power Corp., pfd. | ▪1.50 | Jan. 15 | Dec. 20 |
| Do., 2nd pref. | ▪.75 | Jan. 15 | Dec. 20 |
| Paton Mfg. | 1 | Dec. 15 | Nov. 30 |
| Do., pref. | 1.75 | Dec. 15 | Nov. 30 |
| Quebec Power | .25 | Nov. 25 | Oct. 25 |
| Regent Knit., pref. | .40 | Dec. 1 | Nov. 2 |
| Reliance Grain, p | ▪1.62½ | Dec. 15 | Nov. 30 |
| Rolland Paper | .15 | Nov. 15 | Nov. 8 |
| Do., pref. | 1.50 | Dec. 1 | Nov. 15 |
| Royal Bank | 1.50 | Dec. 1 | Oct. 30 |
| Royal Trust | .80 | Nov. 1 | Oct. 20 |
| Shawinigan W. Pr. | .22 | Nov. 25 | Oct. 25 |
| San Antonio Gld. | .07+.03 | Nov. 5 | Oct. 20 |
| Siscoe Gold M. | .01½ | Dec. 15 | Nov. 12 |
| South Can. Pwr., c. | .20 | Nov. 15 | Oct. 20 |
| Do., | .20 | Feb. 15 | Jan. 20 |
| Do., pref. | ▪1.50 | Jan. 15 | Dec. 20 |
| Sherbrooke Trust | 1.50 | Nov. 1 | Oct. 15 |
| Sullivan Cons. | .02½ | Nov. 15 | Oct. 15 |
| Tip Top Tail. Inc. p. | 1.65 | Nov. 15 | Oct. 30 |
| Toburn Gold | .01 | Nov. 22 | Oct. 22 |
| Tor. Elevators | 1 | Nov. 12 | Oct. 30 |
| Do., pref. | .66 | Dec. 7 | Nov. 25 |
| United Corp., A | .37 | Nov. 15 | Oct. 15 |
| Upper Can. Mines | .02½ | Nov. 27 | Nov. 13 |
| Westminster Paper | .25 | Nov. 2 | Oct. 15 |
| Walker-Good. | 1 | Dec. 15 | Nov. 12 |
| Do., pref. | .25 | Dec. 15 | Nov. 12 |
| Wilsil | .25 | Jan. 2 | Dec. 1 |

▪Subject to approval of Foreign Exchange Control Board. ▴On arrears. †Payable in N. Y. funds.

## DIVIDEND NOTICES

### RELIANCE GRAIN COMPANY LIMITED

6½% CUMULATIVE PREFERRED STOCK

A DIVIDEND of one and five-eighths per cent (1⅝%) per share, being the dividend for the quarter ending November 30, 1943, and a dividend of one and five-eighths per cent (1⅝%) per share being the dividend for the quarter ended February 28, 1939 are hereby declared and authorized to be paid on December 15, 1943, to all preference shareholders of record with the transfer agents of the Company at the close of business on November 30, 1943.

By order of the Board,
A. W. GIBB, Secretary.

Winnipeg, October 18, 1943.

### Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN THAT a dividend of 1¾% has been declared on the Preferred shares of the Company, payable on December 1st, 1943, to shareholders of record at the close of business on November 3rd, 1943.

By order of the Board,
D. A. MacINNES, Secretary.

NOTICE IS HEREBY GIVEN THAT the regular quarterly dividend of 30 cents per share has been declared on the outstanding shares of the Common Stock of the Company, payable on December 1st, 1943, to shareholders of record at the close of business on November 3rd, 1943.

By order of the Board,
D. A. MacINNES, Secretary.

### PICKLE CROW GOLD MINES LIMITED

(No Personal Liability)

NOTICE OF DIVIDEND NO. 29

Notice is hereby given that a dividend of Five Cents (5c) per share in Canadian funds has been declared, payable on Friday, December 31st, 1943, to shareholders of the company of record at the close of business on Tuesday, November 30th, 1943.

By Order of the Board
G. M. HUYCKE, Secretary-Treasurer

Toronto, Ont., November 1, 1943.

## NOTICES

### The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the eighth day of December, 1943, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.
ROBERT RAE, General Manager.

Toronto, 23rd October, 1943.

Winnipeg Grain

# Rails Moving Wheat Faster

## Rush Shipments to Lakehead Before Navigation Closes

From Our Own Correspondent

WINNIPEG.—The railways have made a good start on the undertaking they gave last week to move 60 million bushels of wheat to the head of the lakes before the close of navigation. Total grain loadings are running at the rate of 1,500 cars daily, of which more than a thousand are wheat. The proportion of wheat loadings is due to increase as previously authorized shipments of coarse grains fall off.

Farmers have been delivering wheat to country elevators at the rate of a million bushels daily, and will now be able to step up that rate considerably, although the opportunities to deliver will be confined to those stations from which the railways find it most convenient to load cars. While such points are concentrated to some extent in Manitoba, there are a considerable number in both Saskatchewan and Alberta.

The Canadian Wheat Board is kept busy authorizing increased quotas for wheat deliveries at points where space is made available, and 10 bushel quotas will shortly apply to some hundreds of such points. The railways, whose loadings were formerly under close regulation by the Canadian Wheat Board, are using their own discretion in spotting empties to get the greatest quantity of wheat loaded in the shortest time.

**Last Minute Change**

The change in shipping policy could hardly have been delayed much longer. Terminal elevators at the lakehead are being rapidly emptied of wheat as lake vessels are supplied for grain movement through the joint efforts of the Governments of Canada and of the United States. Even so, the rate of movement is not rapid enough to keep pace with the demand, and it is thought that the U. S. will shortly send trainloads of empty cars into Canada to increase the flow of wheat to be used in that country for feeding purposes.

Some loading of wheat for the U. S. is taking place at Vancouver. The Commodity Credit Corp. of that country, which has been doing all the buying on government account, formerly specified No. 3 Northern. To supply this, shipments had to be made from country elevators, on account of limited quantities of that grade in terminals either at the lakehead or at Vancoucer.

Now, rather than wait for the lower grade to be available, it is understood that the Commodity Credit Corp. is willing to contract for No. 2 Northern.

The price is somewhat higher, but the higher grade can be supplied more quickly.

**Ship Oats By Rail**

Some limited shipments of oats are being made all-rail to the U. S., as cars of American railways become available in western Canada. But for the most part eager purchasers south of the border are having to wait.

Permits for the export of oats are being issued at a cost of 34c a bushel if sent all-rail, and 38c a bushel by lake and rail. Theoretically the rate on export permits for barley would be 50c a bushel or more, but permits for barley exports are not issued now, in order to conserve supplies for eastern Canada.

Wheat prices in the U. S. have continued to rise. The Government there has placed a ceiling of $1.66 a bushel on soft wheat, but, although announcement of a ceiling on hard wheat has been expected, such action is still deferred.

Although the Wheat Board has not published the price at which it is offering wheat to the U. S., the basis is understood to be well above the $1.25 basis now being paid to farmers. On the other hand the basic price for wheat lately acquired by the Government, and now being supplied for Canadian consumption as well as for the Mutual Aid plan, appears to be kept steady at $1.25 a bushel.

Former prices are in the discretion of the Wheat Board, but prices for the latter wheat are determined from time to time by order-in-council.

### The Royal Bank of Canada

DIVIDEND NO. 225

NOTICE is hereby given that a dividend of one and one half per cent (being at the rate of six per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Wednesday, the first day of December next, to shareholders of record at the close of business on the 30th day of October, 1943.

By order of the Board.
S. G. DOBSON, General Manager.

Montreal, Que., October 12, 1943.

### "CANADA DRY"

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, a Delaware Corporation, held October 26, 1943, a dividend of twenty-five cents (25¢) per share on the common stock was declared, payable December 10, 1943, to stockholders of record at the close of business November 24, 1943.
Wm. J. WILLIAMS, Secretary

### Upper Canada Mines Limited

(No Personal Liability)

DIVIDEND NO. 14

Notice is hereby given that an interim dividend of two and one-half cents (2½c) per share has been declared on the outstanding capital stock of the Company, payable in Canadian Funds on November 27th, 1943, to shareholders as of record at close of business November 13th, 1943.

By Order of the Board.
G. F. SUMMERS, Secretary-Treasurer.

Toronto, November 1st, 1943.

### Imperial Tobacco Company of Canada, Limited

DIVIDEND

NOTICE is hereby given that an Interim Dividend (No. 155) of ten cents (10c) per share on the paid-up Ordinary Shares of the Company has been declared payable on Friday, the 31st day of December, 1943, to shareholders of record at the close of business on Tuesday, the 16th day of November, 1943.

By Order of the Board,
A. L. ROBERTSON, Secretary.

Montreal, P.Q. 29th October, 1943.

DIVIDEND NOTICE

### The Robert Mitchell Co. Limited

Notice is hereby given that a dividend of One Dollar ($1.00) per share upon the outstanding Capital Stock of the Company has been declared payable on the 15th day of December, 1943, to shareholders of record on November 15th, 1943.

By order of the Board.
H. S. McGEE, Secretary.

Montreal, P.Q. October 28th, 1943.

DIVIDEND NO. 18

### Hudson Bay Mining and Smelting Co., Limited

A Dividend of One Dollar ($1.00) (Canadian) per share has been declared on the Capital Stock of this Company, payable December 13, 1943, to stockholders of record at the close of business on November 9, 1943.
H. E. DODGE, Treasurer.

### City of Montreal NOTICE

Bonds of the City of Montreal
Due: 15th December, 1941

The semi-annual interest on these bonds will be paid on 15th December, 1943.

Transfer books will be closed from 15th November to the 15th December inclusively.

L. ROBERGE, Director of Finance

Office of the Director of Finance, City Hall, Montreal, 28th October, 1943.

# The Business Of Farming

By GORDON L. SMITH

*Coming Farm Program*

Next month Canada's agricultural GHQ will again meet at Ottawa and draft production goals for the coming year. Though nothing official has been forthcoming, undoubtedly there will be considerable changes from those drafted a year ago. Then the emphasis was on more meat, eggs and dairy products and less wheat. Next year, it is believed, grain will come into the spotlight.

The change will be in keeping with facts and preparations for the postwar period. The recent tapering down of our bacon contract with Great Britain offers one clue and the swing of the United States, with the official blessing, to larger wheat acreages again is another.

The past season has demonstrated the difficulty of maintaining huge meat, dairy and poultry production, despite a record feed crop last year. With very much poorer crops this season, it would be impossible to produce as much concentrated products in 1944.

Moreover in some influential quarters it is believed that we have expanded our mixed farming perhaps dangerously fast since the war, and contracted the wheat away too far. We might be in a stronger position, these people argue, with less livestock and more feed in sight, and with our bins brimful of wheat for human consumption. The latter, it is pointed out, is about the easiest of all farm products to store, whereas there is a time limit to accumulations of dairy, poultry and meat products. If great areas of Europe were suddenly liberated, Canada could ship in huge quantities of wheat quickly and this would be much more economical food for starving populations than the equivalent in meat products, at least.

• • •

*To Maintain Quality?*

The other day, reports the Lethbridge Herald, a local farmer was fined for growing 11 acres of potatoes when he had a permit to grow only 10. "That," says the Herald, "is about on a par with the practice of fining a hog raiser $3 for producing a hog which is two or three pounds over weight."

In wartime with the main emphasis on food volume regardless of quality, the Herald is probably right in terming such a course bureaucracy running wild. But the comparison did not hold in the pre-war days of keen agricultural competition, and it will not hold again when conditions return to normal.

For several decades before the war Canadian agriculture fought a long and intensive battle with the Danes to secure a share of the British bacon market. They won a substantial slice, but only by shipping the highest quality product. That meant elimination of all under and overweight hogs. This was accomplished by a system of heavy dockages on hogs which would not make top quality bacon.

Such dockages may have savored of bureaucracy, but what other protection could be given the producers of quality, against a small percentage of shortsighted hog raisers who would have dumped overweight animals on the market and ruined it for the majority.

• • •

*The Wheat Picture*

Canada held over a third of the total visible wheat supply of the four major surplus producers—Canada, U. S. A., Argentina and Australia—on Aug. 1 last, according to a compilation by Sanford Evans. Total for the four countries was estimated at 1.65 billion bushels, of which our share was a trifle over 600 millions.

Maximum available supply of Canadian wheat for export and carryover up to Aug. 1 next year is estimated at 732 millions. The relatively small crop for the Dominion this year, a shade under 300 million bushels, accounts for the smallness of the potential carryover for next Aug. 1. Heavy exports of both flour and wheat are whittling down carryover at a substantial rate now, it is understood.

• • •

*Seed Potato Note*

Last spring, it will be recalled, there was quite a flurry in the seed potato market in Central Canada with prices more than doubling in a few weeks towards the end of the planting season. Apparently the position does not promise to be any better next spring. At any rate a bulletin from the Ontario Department of Agriculture this week intimates that growers would be well to make sure of seed supplies now. The catch, of course, will be to find suitable storage for the garden type of grower and even larger users of seed are advised to store carefully and inspect fairly frequently during the winter. Acreage of seed potatoes in Ontario this year was slightly larger than last.

• • •

*Danish Competition*

An Ontario farmer quoted by the Toronto Globe and Mail a few days ago intimates some rather surprising opinions regarding Denmark and the Danes. After warning his readers that Britain will undoubtedly be going back to Denmark for bacon after the war, he says,

"There will be no sense in us producing surpluses which have to be sold abroad in competition with countries where farmers have a lower standard of living and exceptionally favorable climatic and soil conditions."

• • •

If the unidentified Ontario farmer quoted was referring to Denmark in that sentence, then his information differs greatly from that usually received.

The Danish population, rural as well as urban, has been credited with one of the highest, if not the highest, intellectual and economic standards of Europe. Danish farmers' as a body are generally conceded to be the most scientific in the world.

The second part of the Ontario farmer's sentence is no better. It is a well-known fact that the climate of Denmark is by no means exceptionally favorable, while the soil, originally at least, was little more than a stony, sandy plain. Canadian farmers were up against man-sized competition in pre-war Denmark, and they are only fooling themselves when they attribute the Danes' success to luck and low prices.

# Livestock Receipts Show Some Gains This Year

Receipts of livestock at the eight Canadian stock yards this year, are on the whole, somewhat larger than last year. Those for the three-quarter period are reported by the Union Stock Yards of Toronto Ltd. as follows:

| January to September | Head 1943 | Head 1942 |
|---|---|---|
| Cattle | 653,063 | 677,095 |
| Calves | 294,468 | 373,250 |
| Hogs | 1,006,691 | 821,388 |
| Sheep | 363,541 | 309,733 |
| Horses | 71,042 | 468,867 |
| **Receipts at Toronto** | | |
| Cattle | 178,753 | 205,120 |
| Calves | 74,041 | 100,821 |
| Hogs | 128,894 | 146,460 |
| Sheep | 71,020 | 66,757 |
| Horses | 1,389 | 1,143 |
| **St. Boniface Receipts** | | |
| Cattle | 185,288 | 222,644 |
| Calves | 50,279 | 62,804 |
| Hogs | 202,821 | 150,933 |
| Sheep | 150,933 | 60,897 |
| Horses | 26,115 | 17,233 |

# Australia Cuts Wheat Acreage to Ease Glut

## Licensed Wheat Farmers Drop 8,883; Land Sown to Wheat Decreases 14.5%; Guarantee Farmers 72c Each on First 3,000 Bushels

Australia uses a licensing system to control the acreage of wheat sown by farmers of the Commonwealth to solve problems of a heavy wheat carryover, insufficiency of bags, and lack of storage and manpower for harvesting and transportation, according to Frederick Palmer, Canadian Trafie Commissioner.

In 1941 the Commonwealth Government undertook the licensing system, based on the average sowings during a four-year period, whereby wheat growers were required to register. As a result, for the year 1942-43, there were 8,883 fewer wheat farmers licensed than in the previous year.

Distribution of wheat farmers and the acreage licensed in each state of the Commonwealth in 1942-43 were as follows:

| Licenses and Acreages by States | Licenses | Acres |
|---|---|---|
| New South Wales | 19,833 | 3,666,000 |
| Victoria | 16,094 | 2,614,000 |
| South Australia | 14,907 | 2,415,000 |
| Western Australia | 8,223 | 1,841,000 |
| Queensland | 2,984 | 430,000 |
| Total (excl. Tasmania) | 62,041 | 10,966,006 |

The area licensed for sowing wheat in the Commonwealth for the 1942-43 season aggregated 11 million acres as compared with 12.8 million acres for the previous season, a decrease of 14.5%. Greatest reduction was in Western Australia—869,000 acres.

**Increase Pasture Lands**

Farmers were then encouraged to suspend sowing wheat in "marginal areas." In 1942 the sum of £(A)607,000 was approved for payment to such farmers who put part of their wheat land included in that category back into pasture. Under the Wheat Industries Assistance Act, the funds were mainly derived from the "flour tax," but in 1942 the Government decided to make available from "general revenue" the sum of £(A)107,000.

Problems of harvesting at the end of 1942 also became acute. Agricultural manpower was depleted by enlistments, but, most serious of all, wheat was piled up all over the wheat-growing areas. Early in 1942 the unsold carryover had aggregated 18.5 million bushels as compared with 25 millions at the same time in 1941. Moreover, farmers could not obtain sacks for their surplus wheat. In addition, there was danger of wheat bagged any length of time becoming infested with weevils and mice.

Port storage bins were full. Railway sidings, too, in many places were still blocked with bagged wheat from the former season, while the new 1942-43 crop was beginning to come in. Diversion of rolling-stock to war transport had brought about this condition.

Meantime the matter of paying the farmers something for their stored wheat was being discussed. In May, 1942, therefore, a new scheme was devised of guaranteed payments for wheat to farmers.

Basically the scheme provided for payment of 4s. (72c) per bushel at country sidings on the first 3,000 bushels of each farmer's crop. It also provided for the pooling of the residue of the wheat grown by farmers in excess of their first 3,000 bushels and for the distribution of the actual returns on the completion of sales of the pooled wheat. Later it was decided to pay a net advance of 2s. (36c) a bushel on the excess wheat placed in the pool. It was estimated that this scheme would ensure a good living for at least 80% of Australia's 68,000 wheat growers.

The previous scheme, it was reported, had returned to most wheat growers 3s. 10d. (69c) a bushel f.o.b. but, after deducting costs, many farmers only received 45c a bushel, a price below cost of production.

These schemes, furthermore, enabled the Commonwealth Government, as a signatory to the International Wheat Agreement, which limited exports to a quota, to continue to control the limitation of acreage sown to wheat which was provided in the agreement.

# National Pole Sales Dropping

Profits of National Pole & Treating for the first nine months of 1943 show a considerable decline over last year, with the trend downward still continuing in the third quarter when net profits of $3,866 compared with $38,872 for the first nine months. Reason for the decline is a continued drop in the volume of business. Sales for the third quarter of 1943 amounted to $5.8 millions. Following are detailed nine months' figures.

| Nine months ended Sept. 30: | 1942 | 1943 |
|---|---|---|
| Net sales | $999,025 | $1,790,506 |
| Less: Cost of sales | 846,039 | 1,265,303 |
| Selling, admin., etc. | 69,938 | 91,298 |
| Profit on operations | 83,048 | 433,905 |
| Add: Other income | 11,160* | 3,036 |
| Net earnings | 71,888 | 436,941 |
| Less: Debt int. | 5,016 | 13,242 |
| Inc. & E. P. tax | 28,000 | 178,000 |
| Net income | 38,872 | 245,699 |
| Less: Sale of M. & O. stock | ....... | 140,176 |
| Net profit | 38,872 | 105,523 |

*Loss.

# Wheat Board Probe Sought

## Manitoba Wheat Grower Starts Action for Accounting

From Our Own Correspondent

WINNIPEG.—A Court of King's Bench action seeking an accounting by the Canadian Wheat Board on its operations over the past four years has been started by Arthur H. Oatway.

Oatway, who has farmed in the Lilyfield district of Manitoba for 40 years and is a councillor of his municipality, has made his suit a "class action"—an action on behalf of all Canadian farmers who have dealt with the Wheat Board in the Prairie Provinces, British Columbia and Ontario. An estimated 150,000 grain growers would be affected.

The suit hinges around the issuance by the Board of Participation Certificates. These certificates have been given to producers who sold through the Board at the Board's price and presumably entitled them to share in any profit made by the government agency on the final disposal of the produce.

M. J. Finklestein, K.C., represents Mr. Oatway. It was Mr. Finklestein who represented unnamed members of the Grain Exchange last month in seeking resumption of trading on the open market, claiming no order-in-council had been issued legalizing the closing order. The move was dropped when the Exchange membership acquiesced in the Ottawa order.

# Labor Trouble Hits Aluminum

## A.F.L. Calls Men Out at Shawinigan Falls; Strike Organizers Arrested

From Our Own Correspondent

MONTREAL.—Part of the production facilities of the Aluminum Co. at Shawinigan Falls continues closed down by a strike of the workers called by an American Federation of Labor union. The strike began midnight, Oct. 23.

At the end of the first week of the strike two American Federation of Labor union organizers, Phil Cutler and Jean Jodöin, were arrested and charged under the Defense of Canada Regulations with obstruction of production of a war industry. Shortly after the trouble started Acting Munitions Minister Michaud declared that the strike was illegal.

Following this development AF of L officials sent a telegram to Premier Mackenzie King telling him that they were ready to start producing aluminum as soon as he ordered a conciliation board and the company agreed to accept it.

The company has contended it has already a jurisdictional agreement, valid for another six months, with the National Syndicate, which has been urging its members to remain on the job.

**Winter Schedule**

Trouble arose over the winter schedule of work in the potrooms. It has been the regular practice of the company to ease the work of the potmen during the summer months by decreasing the number of pots tended by each man or increasing the number of helpers.

Each year the winter schedule of operations means that each man is called upon to look after eight pots instead of seven pots as in the summer.

National Catholic Syndicate, with which the company has an agreement, protested, asking the company to hire some 40 additional men for the winter schedule.

The AF of L, with which the company has no agreement, also protested. Their protests, according to Paul Fournier of the AF of L, arose because the workers are paid five cents an hour less than those at Arvida. The union has petitioned the National War Labor Board for equalization of wages. According to Mr. Fournier, the company refused to await the decision of the Board and issued an ultimatum to the effect that if the men did not work, the plants would be closed down as there was a large stock of aluminum on hand.

Loss of production for the first two days of the strike approximates 25% of that sustained in the big Arvida strike in the summer of 1941, when $6 million dollars' worth of aluminum was lost.

### Ogilvie Flour

| Years Ended Aug. 31 | 1943 | 1942 |
|---|---|---|
| Earnings on common | $1.44 | $1.12 |
| Paid per share | 1.00 | 1.00 |
| Working capital | $7,641,340 | $6,979,769 |

Net profits of Ogilvie Flour Mills for the 1943 fiscal year at slightly better than $1 million, were up about $200,000 over the preceding 12 months. Gross income gained $340,000 and, as taxes advanced only $120,000, most of this was carried forward into net profit. There is no reference in the report as to whether or not the company has accepted the government proposal of giving up the refundable portion of the excess profits tax in lieu of the subsidy under the price ceiling arrangement.

Two items featured the balance sheet. Inventories jumped from less than $4.4 millions to $7.6 millions, while bank loans were up from $2 millions to $3.9 millions. Investments declined from $4.4 millions to $3.8 millions, but the market value increased from $7.2 millions to $9.1 millions.

According to President C. A. Dunning, demand for flour and feed will probably continue to tax facilities to the utmost for some time to come, while the amount of grain in the hands of the farmers ensures steady operation of elevator facilities.

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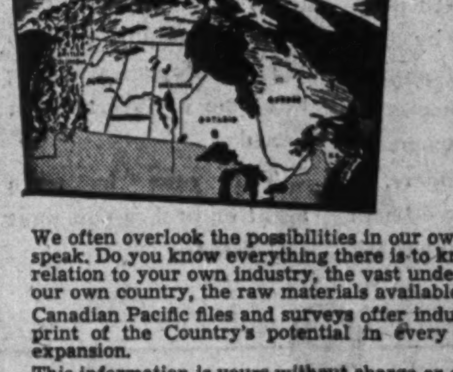

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# Little Long Lac Finding Grade Lower at Depth

### Keeping Eye on Parallel Ore Chances — May Continue Interior Shaft for Another Two or Four Levels for Deeper Investigation

While continuity to depth has been established for the main vein at Little Long Lac Gold Mines, development at depth on the block of four deepest levels — the 17th to 20th — has shown the vein occurring in two "limbs" with some decrease in grade and ore widths as depth is reached.

The faulting which causes the ore body to occur in two limbs — the north and south — at depth, results in a gradual decrease in ore lengths for the north limb which is, however, offset by the corresponding increase for the south limb.

**Ore Lengths Reported**

Ore lengths opened on the bottom block of four levels have been as follows:

**South Limb Ore**

| Level: | Length ft. | Width in. | —Grade— Uncut oz. | Cut oz. |
|---|---|---|---|---|
| 17th East ...... | 543 | 35 | .386 | .371 |
| 17th West ...... | 169 | 37 | .315 | .281 |
| 18th East ...... | 539 | 37 | .479 | .401 |
| 18th West ...... | 239 | 30 | .296 | .276 |
| 19th East ...... | 558 | 35 | .346 | .328 |
| 19th West ...... | 270 | 27 | .389 | .340 |
| 20th East ...... | 603 | 35 | .238 | .232 |
| 20th West ...... | 353 | 27 | .497 | .459 |

**North Limb Ore**

| Level: | Length ft. | Width in. | Grade oz. |
|---|---|---|---|
| 17th East .......... | 390 | 33 | .392 |
| 17th West .......... | 264 | 41 | .286 |
| 18th East .......... | 291 | 31 | .398 |
| 18th West .......... | 287 | 38 | .485 |
| 19th East .......... | 226 | 31 | .426 |
| 19th West .......... | 211 | 32 | .347 |
| 20th East .......... | 156 | 32 | .303 |
| 20th West .......... | 243 | 32 | .348 |

The folded zone in the fault area between the north and south limbs is to be explored by drifting on the 20th level. Depending on disclosures, work will also be proceeded with on the three levels above.

To the present stage of development, it is estimated that the four lower levels show from 300 to 350 tons of ore to the vertical foot running better than .35 oz. gold per ton.

Consideration will be given in due course to continuing the interior shaft for two or four new levels at 150-ft. intervals. It is possible that this work may be undertaken in 1944 as manpower permits.

Exploration for parallel ore bodies has revealed marginal grade material to the south. The number 409 ore body has been stoped through from the 4th to the second level. Additional work to the south is to be done on lower levels.

Northwest of present workings, geological disclosures are considered encouraging and the area has been revealed as potentially ore-bearing from surface work and diamond drilling.

## Vermilata No. 1 On Production

Vermilata Grande Prairie No. 1 Well, after being on pump for several days, is reported to be a good producer. This well was completed at 1806 ft. on Sept. 6 but actual production was delayed by failure of pumping equipment to arrive.

Three wells—Vermilata Nos. 3, 4 and 5—have been completed and are one after the other being put on test.

Attempts to recondition the Vermilion Consolidated No. 3 well have so far been unsuccessful, it is reported.

**Sheep Creek Gold Mines**, hard hit by labor shortage, may have had lower earnings than its subsidiary operation Zincton Mines in the August quarter. Zincton realized a $55,057 profit before taxes compared with $38,829 the same quarter of 1942, while Sheep Creek profit, after all charges, was $44,758 equal to 2.4 cents a share compared with $77,474 equal to 4.1 cents a share in the three months ended Aug. 31, 1942.

## Can. Malartic Grade Better

### Tonnage Down in Latest Quarter and Development Progresses

Canadian Malartic Gold Mines reports tonnage treated was lower but the grade of ore was slightly higher in the three months ended Sept. 30, 1943, and operating profit after taxes was $7,988 higher than during the preceding quarter.

Tonnage above recent averages has been made possible through the replacement, in September, of the mill's primary crusher which was worn out, it is stated.

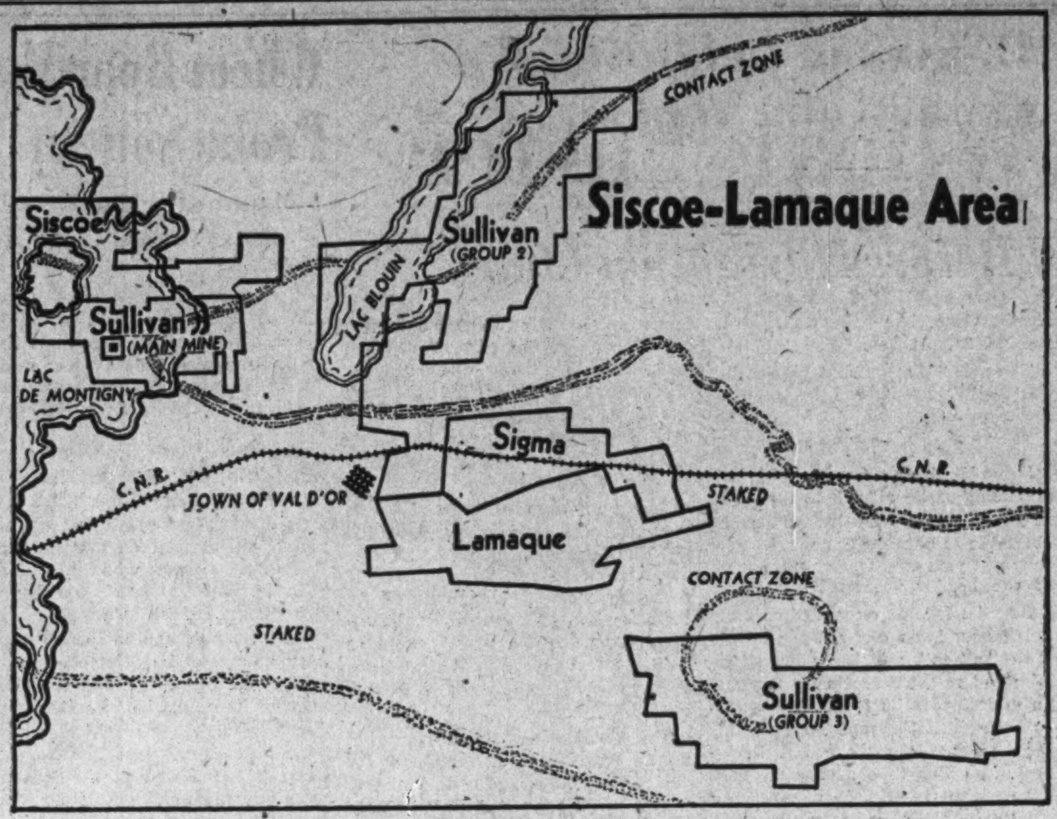
**Development**

Development of ore bodies indicated by diamond drilling in the upper sections of the Eastern North Ore Zone is under way, as is also stope preparation of the 708 ore body on the 1,000 and 1,125-ft. levels. The 1,125-ft. level is being advanced south-easterly for exploration purposes.

Operating costs for the quarter were $2.84 per ton milled.

**Quarterly Earnings**

| 3 Mos. End. Sept. 30: | 1943 | 1942 |
|---|---|---|
| Metal prod. (gross) .. | $315,337 | $357,912 |
| Less: Marketing costs | 3,708 | 4,188 |
| | 311,629 | 353,724 |
| Less operating costs: | | |
| Diamond drilling .. | 406 | 331 |
| Mine development.. | 43,735 | 12,095 |
| Stoping .......... | 94,766 | 149,045 |
| Milling .......... | 47,537 | 49,665 |
| Mine off. & superv. | 10,540 | 11,423 |
| Gen. exps. at prop. . | 10,478 | 12,010 |
| Admin. & gen. exps. | 8,243 | 8,367 |
| Prov. for taxes .... | 17,820 | 26,650 |
| Oper. profit* ......... | 78,104 | 84,138 |
| *Before depreciation. | | |
| Capital expenditure .. | 12,733 | 323 |
| Production: | | |
| Tons milled ........ | 76,226 | 92,102 |
| Tons daily ........ | 829 | 1,001 |
| Aver. recov. per ton | $4.14 | $3.89 |




Important mine-making news has been made recently by Sullivan Consolidated Mines. At the main mine, located in the top left hand part of the above map, diamond drilling has been indicating a major expansion of ore resources. Most of the thousands of acres of new property represented by the Nos. 2 and 3 groups shown above, were acquired in 1942. On the big block of ground east of Lamaque, ore grade gold values have been intersected in a number of widely-spaced drill holes but officials have declined to state that an ore shoot or shoots have been defined until closer interval drilling has been done.

## Inco May Cut 1944 Return

### Wartime Difficulties Showing Their Effect on Earnings

While directors of International Nickel Co. of Canada met early this week and declared the company's regular quarterly dividend of 50 cents a share on the common stock, a statement of President Robert C. Stanley, released following the meeting, pointed out that earnings are running lower due to labor shortage and increased costs, and some reduction in dividends may be desirable in 1944.

In his statement, Mr. Stanley reviewed the situation in the following terms:

". . . the company's interim financial report on the results of operations for the first nine months of 1943 will be released to shareholders on Nov. 12 and will show net profits, after all charges, depreciation, amortization, taxes, etc., for the period, of $23.2 millions. The net profits per share of common stock, after provision for preferred dividends, will be 45c. for the third quarter, comparable to 52c. for the second and 52c. for the first quarter. By comparison, the quarterly common dividend has been 50c. per share.

**No Improvement Indicated**

"The forecasts for the fourth quarter do not indicate an improvement over the rate of earnings for the third quarter. A shortage in labor precluding the full utilization of expanded plant facilities, together with increasing costs, indicate that the net profits may decline further in the coming year.

"Directors are giving the most careful consideration to the common stock dividend policy and are of the opinion that the prospects of reduced earnings may require a reduction of the dividend rate for 1944. The directors have concluded that the present year should be completed without changing the 50c. quarterly rate."

## Chromite Ltd. Profit Holds

Chromite Ltd. shows a slight reduction to 3,536 tons in tonnage milled according to its third quarter report. This decline was due to transformer trouble, but has been offset by improvement in grade of ore and recovery. A new system of crushing and picking has been installed, the report states, and it is hoped an improved quality of concentrate will result.

Both operating and net profits in September were above average for the year to date. Net profit for September was $15,835, and operating profit $21,396, from a concentrate production valued at $54,413. Net profit for the nine months to Sept. 30 amounted to $114,967.

**Completes 801 ft. Drifts, Crosscuts**

Development work was continued with a total of 801 ft. of drifts and cross-cuts completed. Of this, 372 ft. was on the new 4th level. The shaft was not sunk below this level after cutting of the station and sump were completed. As a result three new ore shoots were opened up and 397 ft. of raising was also completed, exposing additional ore.

Working capital at Sept. 30 amounted to $65,353. Of $88,500 current assets, some $57,864 consisted of cash and accounts receivable.

## Matachewan Output Off 30% in September

A reduction of approximately 30% in tonnage milled in September, as compared with 1942, is shown by Matchewan Consolidated Mines, with nearly the same percentage decline in bullion production. Tonnage milled amounted to 58,341 tons to give an income from metals produced of $165,892.

Estimated total profit amounted to $25,396 compared with $35,534 in September, 1942. Capital expenditures were up during this month with $4,984 expended on buildings and equipment compared with $2,689 last year and $6,616 of deferred development expense, of which there was none in the 1942 period. No provision has been made for taxes since, it is anticipated, special write-off arrangements will render tax liability negligible.

## Mining INVESTMENTS

**Wartime difficulties**—labor shortages and gradually increased costs—are not being confined to the gold mines. This point was emphasized this week when President R. C. Stanley of International Nickel Co. pointed out that such difficulties had caused a decline in Inco earnings to 45 cents a share for the third quarter compared with 52 cents a share for both the first and second quarters. A possibility is seen that the dividend rate may have to be reduced in 1944.

With President Stanley pointing out that fourth quarter results show no improvement, it appears obvious that even vital war industries are still short of labor and that less essential industries may have to wait some time yet before there is any real betterment of their difficult labor situation.

• • •

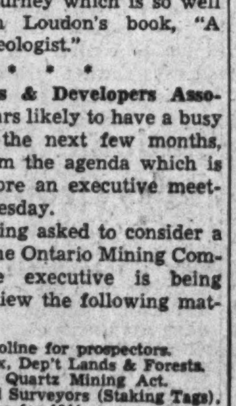
**The Snow Lake** area, commented on in The Financial Post last week, is authoritatively described by F. D. Shephard, geologist, Dominion Department of Mines and Resources, in the current issue of The Pre-Cambrian.

"Adjacent to the north shore of Snow Lake, northern Manitoba, there have been discovered or developed in a preliminary way some of the most promising gold occurrences exposed to date in Manitoba," he declares.

With completion of a program of 50,000 ft. of diamond drilling, Howe Sound Co. "appears assured of a large gold operation handling ore of a moderate grade," it is stated. Starting with last fall, other mining companies became interested in the area and Northern Canada Mines, Pioneer and Macassa Mines have shown interest in the ground. Many other mining companies are reported active.

• • •

**Dr. J. B. Tyrrell**, Canada's grand old man of mining, who celebrated his 85th anniversary this week by spending a busy day at his office, is mentioned by Mr. Shephard as one of the early individuals to explore the area. He states gold was first discovered in the Snow - Herb Lake area in 1914 by M. J. Hackett and R. Woosey, following early exploration of the Wekusko Lake sector by Dr. J. B. Tyrrell and William McInnes.



DR. J. B. TYRRELL

It is now just 50 years since Dr. Tyrrell, in company with his brother, crossed the barren lands of Canada from Lake Athabaska to Chesterfield Inlet on Hudson Bay—the first white men to make this long and hazardous journey which is so well described in Loudon's book, "A Canadian Geologist."

• • •

**Prospectors & Developers Association** appears likely to have a busy time ahead the next few months, to judge from the agenda which is to come before an executive meeting next Tuesday.

Besides being asked to consider a letter from the Ontario Mining Commission, the executive is being urged to review the following matters:

Tax-free gasoline for prospectors.
Stumpage tax, Dep't Lands & Forests.
Yukon Gold Quartz Mining Act.
Ontario Land Surveyors (Staking Tags).
Lecture Series for 1944.
Annual Meeting.

It is understood that the Association has been asked for its views on mining problems by the Ontario Mining Commission and the meeting will discuss what action they should take.

• • •

**Jules R. Timmins**, president of Hollinger Consolidated Gold Mines, in an interview recently pointed out what perhaps few people have realized: That the mining industry is one of the prime consumers of forest materials and that the mining industry has been fortunate so far in that timber resources have usually been in close proximity to the mines.

Said Mr. Timmins:

"The mineral belt of Canada is also the timber belt. The two natural resources are, as a rule, contiguous, and this is fortunate, for the reason that a major mining operation requires millions of feet of wood. Anyone who has gone underground on a gold development, for example, is struck by the prolific use of timbering. In fact, before ore can be extracted, the forest is called upon to furnish the chief safety factor in the subsurface workings.

"Economic mining, therefore, depends to an appreciable degree upon keeping the forest supply within the shortest transportation distance of the mine shaft. The possibility of a mine timber shortage might appear foolish to contemplate were it not that timber resources have been still unconquered. . . ."

• • •

**Sullivan Consolidated Mines** reports production for the third quarter of 1943 of $353,296 from a tonnage of 35,918 tons. This compares with production in the same quarter last year of $396,491 from 43,162 tons.

## Upper Canada Deepens Shaft

Upper Canada Mines Ltd. reports No. 2 shaft has been completed to 780 ft. depth. Stations have been cut and lateral work has been started on levels at 500, 625 and 750 ft. No ore results from this work have yet been reported.

Quarterly production figures follow:

**Quarterly Production**

| 1943 Quarter Ended | Tons milled | Tons daily | Recov. per ton $ | Bullion recov. $ |
|---|---|---|---|---|
| Mar. 31 | 20,025 | 223 | 19.40 | 388,428 |
| June 30 | 17,153 | 188 | 17.20 | 295,014 |
| Sept. 30 | 15,687 | 171 | 13.94 | 218,714 |
| 9 months | 52,865 | 194 | 17.07 | 902,156 |

**Leitch Gold Mines** production experienced a decline the September quarter. Output amounted to $196,379 from 6,881 tons of ore milled, an average recovery of $28.54 a ton. Decline was due chiefly to a drop in average grade of ore treated. In the preceding quarter $233,273 was recovered from 6,831 tons of ore, an average of $34.13 a ton.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# McKenzie R. L. Progress Slow

## Labor Shortages Hold Third Quarter Development to 10% Normal

Labor shortage continues to retard development progress at McKenzie Red Lake Gold Mines. During the quarter ended Sept. 30, 1943, total footage amounted to 298 ft., which is little more than 10% of normal, W. G. Armstrong, president, states. This work included 24 ft. of advance on line on the 1,250-ft. level toward the N.E. zone; 106 ft. of drifting on the 1,050-ft. level disclosing 80 ft. of new ore and 108 ft. of drifting on the 850-ft. level all of which was in ore. This development was in the N. E. mine, where diamond drilling continues to indicate subsidiary ore structures.

From the beginning of 1940, when first ore was opened up in the N.E. mine, to the end of 1942, a total of 8,692 ft. of new ore was developed. During this three year period, half of the total footage of new ore was provided by the N.E. zone, whereas the older sections of the mine continued to supply practically all the mill feed.

It has been estimated, Mr. Armstrong states, that the development of 1,600 lateral ft. of ore annually is required to maintain the ore reserves at the current milling rate, and it is therefore, evident that there has been a substantial improvement in the ore position during the three years ended in 1942.

Consequently, the mine commenced the present year with a good backlog of ore, and although it cannot be expected that further improvement will be made at present, there is good reason to look forward to the postwar years with confidence. There is every indication that a large increase in development expenditure is warranted when men are available to do this work, he concludes.

**Quarterly Production**

| | Tons milled | Tons daily | Recov. per ton $ | Bullion recov. $ |
|---|---|---|---|---|
| 1943: | | | | |
| Mar. 31 | 21,879 | 243 | 11.04 | 241,501 |
| June 30 | 20,560 | 226 | 10.98 | 225,802 |
| Sept. 30 | 21,461 | 233 | 11.43 | 245,393 |
| 9 months | 63,900 | 234 | 11.15 | 712,696 |

# Coniarum Mines Recovery Holds

Coniarum Mines Ltd. reports recovery per ton of $10.08 on 27,070 tons milled in the three months ended Sept. 30 this year. This compares with $10.89 from 26,550 tons in the three months ended June 30 last and $9.89 a ton from 39,240 tons in the Sept. 30 quarter of 1942.

No capital expenditures are reported for the latest quarter where $2,708 was spent for this purpose a year ago. No allowance for depreciation has been made in the figures which follow:

**Quarterly Earnings, 3 Mos. ended Sept. 30**

| | 1943 | 1942 |
|---|---|---|
| Tons milled | 27,070 | 39,240 |
| Net inc., metals prod. | $272,986 | $388,141 |
| Less: Dev. & oper. costs | 186,105 | 246,859 |
| Est. oper. profit | 86,881 | 141,282 |
| Add: Non-oper. rev. | 5,113 | 2,262 |
| Less: Prov. for tax. | 22,494 | 48,324 |
| Est. profit | 69,500 | 95,220 |

# L. R. Gulick Elected Sylvanite Director

Sylvanite Gold Mines Ltd. announces that Lewis R. Gulick, Buffalo, has been elected a director replacing the late William L. Marcy, formerly vice-president and director. Welles V. Moot has been elected vice-president and continues as managing director.

At meetings of Delnite Mines and Tyranite Mines, subsidiaries of Sylvanite, similar action was taken.

**Canadian Cottons Ltd.** has issued 350 additional shares of common stock. These shares were allotted by the directors to certain officers and employees of the company at a price of $100 per share in order to "further ensure their interest in the progress and success of the company."

# The Week in Oils

From Our Own Correspondent

CALGARY. — Reflecting the spreading search for oil in Alberta, 23 new well locations were staked during October, according to a survey by The Financial Post. A check of the 23 locations shows nine in the Vermilion field on the Central Alberta Plains; four in the Turner Valley field; two each in the Taber and Viking areas; and one each at Lloydminster, Pinhorn, Wrentham, Pincher Creek, Grassy Lake and Erickson Coulee.

The October locations—not far short of one new well per day—are believed to represent the largest number of new sites staked in Alberta in any one month to date. It reflects the intensified efforts to augment Canada's oil supply from the proved and prospective oil fields of Alberta.

Five of October's 23 locations were staked during the final week of the month. Included are two sites in Turner Valley, two at Vermilion and one at Viking.

* * *

### Wartime Oils Aids 11

First new Turner Valley test is Anglo-Canadian No. 12, the eleventh Wartime Oils Ltd.-backed test on the central west flank. This site is in L.S.D. 13 25-19-3w5, quarter of a mile south of the Gem producer and same distance west of the Argus 1 oil well. The test is to be drilled by Drilling Contractors. Second new Turner Valley site is for Foothills No. 18, to be drilled in L.S.D. 5 9-21-3w5, quarter of a mile south of drilling Northend 1, and three eighths of a mile southeast of Northwest-H.B. 13, deep "east side lime" producer. The new well, to be another deep "east side lime" test, is on the site previously listed as Foothills No. 17. The Foothills No. 17 site, it was announced this week, has been transferred to L.S.D. 3 27-20-3w5, offset to the north by producer Foothills 14, the south by drilling Royalite 49, the west by producing Foothills 7 and the east by producing Royalite 29, on the northwest flank of the structure.

Vermilion also had two new locations last week. Holly No. 2. C. R. Hollingsworth test, was staked in the southeast 10 acres of L.S.D. 14 20-50-5w4, offsetting the field's best producer (Holly 1) to the south. Ground elevation is 2,046.1 ft. The well was spudded in by contractor General Petroleums Oct. 28.

Cannar Oils has taken out drilling permit for its Cannar No. 24, in the southeast 10 acres of L.S.D. 15 30-50-5w4, offsetting Cannar 18 to the west, and Cannar 22 to the south and Cannar 23 to the north. Ground elevation is 2,073.9 ft.

* * *

### Third Kinsella Test

Imperial Oils staked location last week for its third Kinsella-Viking area venture. The new site, Imperial-Viking No. 3, is in L.S.D. 3 29-45-12w4, 3½ miles south and 4 miles west of the Anglo-Kinsella test ( a dry hole), and 9 miles east and 10 miles south of the drilling Imperial-Viking 2. The latest location is in a township which is checkerboarded by reservations held by Imperial Oil and the Dominion Oil Co. Drilling Contractors will do the drilling, using rig now at Imperial Viking 2.

* * *

Pacific Oil & Refining No. 1 at Del Bonita has confirmed its Madison limestone objective and at last report had cored from the contact at 5,052 ft., with the cores described by the company as very porous, and showing excellent oil and gas saturation. It is planned to continue coring through to the hard lime below the porous section, after which decision will be made as to the depth to which production string of casing will be run and cemented. This test is a quarter of a mile south of the abandoned Terminal No. 2 test, which had noncommercial oil shows in the top of the Madison, and is about three quarters of a mile west and south of Terminal No. 1, which produced a total of 11,482 bbls. of oil from completion in July, 1936, to Sept. 30, 1943, including 1,241 bbls. produced in the first nine months of 1943.

* * *

### Northend 1 Resumes

Ending a ten months' shutdown, drilling operations were resumed recently at the Northend-Petroleums No. 1, Turner Valley "east side lime" test in L.S.D. 12 9-21-3w5. The well was shut down last December at 8,949 ft., 20 ft. in the Madison lime, for lack of funds. This summer the Northwest-H.B. 13 well, offsetting Northend 1 to the west, reached the "east side lime" at approximately the same elevation as Northend 1, and developed substantial and water-free production in the two porous zones of this lime. An agreement was entered into between the Northwest Co. and the Northend Petroleums under which Northwest is advancing $35,000 toward completion of Northend 1, this to be repaid without interest from initial production.

With signing of this agreement, contractor, Newell & Chandler, reinstalled heavy duty rotary at Northend 1, completed mixing of drill-fluid Oct 26 and went back into the hole. By Oct 29, cleaning had been completed down to 3,000 ft. After cleaning out to bottom, the contractor will run production string of casing, and carry drilling through to completion.

# McKinnon Industries' War Conservation Important

"For every 205 persons who come to work every shift, only one stays home. Wilful absenteeism runs from ½ to ¾ of 1%," said T. J. Cook, president of McKinnon Industries Ltd., St. Catharines, subsidiary of General Motors Corp., speaking before the Society of Automotive Engineers at Toronto recently.

Stating that this and other such records depended not so much on a ready supply of materials and labor, but on the "esprit de corps," ability and experience of its supervisory staff, Mr. Cook sketched some of the production feats of the firm since the beginning of the war:

211,000 complete truck units
Over 12 million percussion fuses
Complete elevating and traversing gear units for 3.7 AA guns
16,444 Magslips
40,000 dynamotors
4,100 complete sets of recuperator parts
1¼ million complete primer assemblies
Hundreds of torpedo component assemblies.

More recently McKinnon Industries has started production of rear seat releases for aircraft machine guns, gyro motors, and hand crank generators.

The company has had outstanding experience with its system of employee suggestions and reports substantial dollar and material savings as a result.

| | |
|---|---|
| **Suggestions submitted since May, 1942** | 2,077 |
| Percentage accepted | 17% |
| Awards paid | $12,490 |
| Annual dollar saving | $146,928 |
| Annual manhour saving | 58,171 |
| **Conservation from July, 1942:** | lb. |
| Carbon steel | 2,325,828 |
| Nickel steel | 4,945,253 |
| Malleable iron | 726,528 |
| Grey iron | 972,901 |
| Copper silicon | 143,345 |
| Brass | 891 |
| Solder | 251 |
| Aluminum | 1,227 |
| Copper | 825 |
| **Tool Salvage from Nov., 1942:** | |
| Value of tools returned to service through tool salvage | $25,680 |
| H.S.S. scrap checked over, boxed and sold (lbs.) | 27,750 |

**Hard Rock Gold Mines** showed a considerable reduction in output the September quarter with the roaster shut down 18 days for repairs and the entire plant closed two days due to power failures. Enlistments and transfers necessitated reduction of underground operations to two shifts by mid-August. Production is expected to be greater in the fourth quarter, President T. H. Rea states. September quarter production, including $40,381 from treatment of concentrates, was $172,988 from 18,104 tons of ore treated compared with $282,468 from 28,490 tons of ore in the preceding quarter

**Canada Dry Ginger Ale** has declared a dividend of 25c. a share (U.S. funds) on the common stock, payable Dec. 10, 1943, to shareholders of record Nov. 24. This is an increase over the previous quarterly payment of 15c. a share which has been maintained since Mar. 24, 1941.

# Cement Output Decline Steady

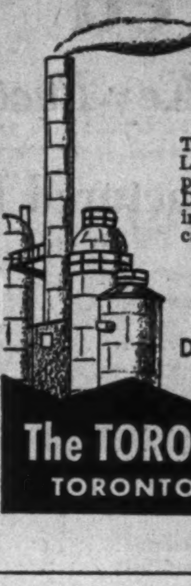
With war building in Canada reduced to finishing phases, continuing decline of heavy construction is reflected in cement production which in late summer fell off more markedly than in earlier months. August output at 952,500 barrels was about 22% less than the 1,230,065 barrels reported for that month a year ago; eight-month average decline was 17% (from 5,938,311 to 4,888,326).

Canada Cement Co., which produces and sells a high percentage of the Canadian total, estimated early this year that the drop in output for the whole year might exceed 30%. The industry still expects the whole year's production will be 25-30% less than 1942, The Financial Post is informed.

**Asphalt Roofing Holds**

Volume of light residential and light military construction has shown relatively small decline, expansions and replacements at temporary cantonments having been a feature of the year's building. Asphalt roofing production is holding up well in consequence.

Firms reporting to DBS turned out in September shingles, siding and roofing put at 244,821 squares (1 square = 100 sq. ft.). and felt and sheathing amounting to 3,115 tons; for the corresponding month last year they had reported 235,349 squares and 3.370 tons.

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FOR CANADA'S WAR INDUSTRY

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BINS and HOPPERS - STEEL STACKS
WELDED and RIVETTED STEEL PIPE

Designed - Fabricated - Erected

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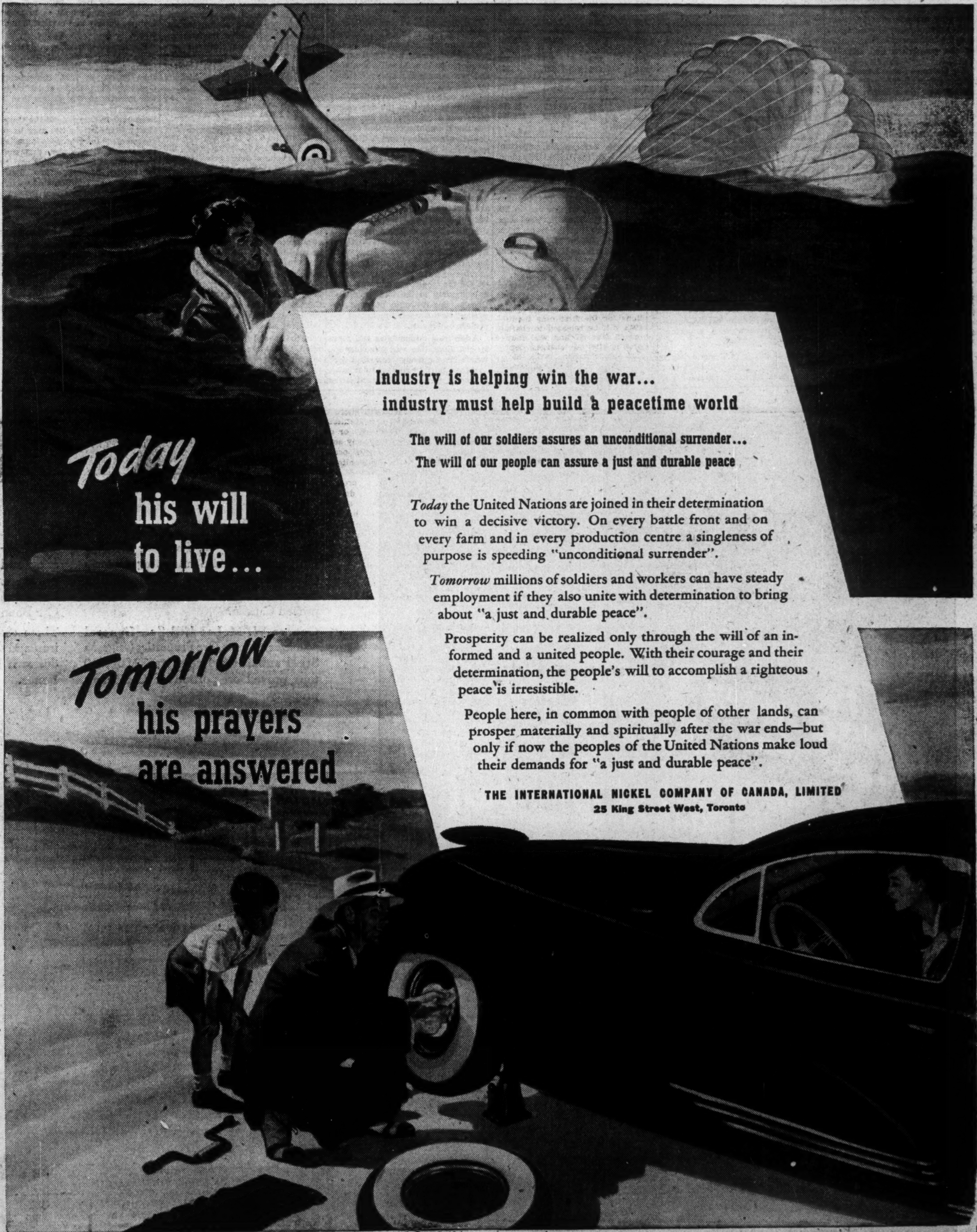
TORONTO MONTREAL



THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1942), $12,389,021



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Confederation Life Association
HEAD OFFICE TORONTO

**Postwar Exports**

# Manufactured Goods to U.K.

## *Tariffs Seen as Key Factor Controlling Our Share*

*This is the fourth of a series of articles dealing with the problems confronting the restoration of Canada's peacetime export trade after the war. Below the British market for Canadian manufactured products is discussed. This concludes the study of the U. K. market, but other major outlets for Canadian products will be dealt with as subsequent articles.*

**By GORDON L. SMITH**

Compared with other lines, notably foods, lumber and metals, Canada's exports of manufactured products to the United Kingdom normally rank considerably down the list. Excluding border line items, the total ran to $25 to $30 millions in the years immediately before the war and accounted for around 7% of the total value of all exports to the Mother Country.

An analysis of the varied list which makes up our export of manufactured products, however, discloses real and steady growth in total volume, with several star performers and a few important casualties or near casualties. Back in the boom days of 1929, for instance, when total of all exports to Great Britain amounted to $430 millions, a near record. only a shade over 5% were classed as manufactured products. In 1939, as the accompanying chart indicates, the proportion had risen to 8.9%.

### Manufactured Exports to U. K.

| | 1936 | 1937 | 1938 | 1939 |
|---|---|---|---|---|
| | | (In Millions of Dollars) | | |
| **Rubber:** | | | | |
| Boots and shoes, etc. | 2.859 | 3.797 | 4.283 | 3.822 |
| Total* rubber | 3.436 | 4.625 | 5.381 | 5.001 |
| **Fibres and textiles:** | | | | |
| Cotton | .348 | .552 | .940 | .923 |
| Wool | .504 | .260 | .450 | .311 |
| Silk stockings | .327 | .329 | .482 | .429 |
| Artificial silk | .131 | .282 | .538 | .515 |
| Binder twine | .392 | .480 | .474 | .338 |
| Total* fibres and textiles | 2.330 | 2.508 | 3.800 | 3.420 |
| **Metal products:** | | | | |
| Electrical apparatus | .620 | .951 | 1.020 | .596 |
| Rolling mill products | 1.376 | 1.298 | 1.612 | 1.441 |
| Wire | .386 | .471 | .331 | .394 |
| Farm implements | .775 | 1.086 | 1.412 | .835 |
| Hardware and cutlery | 1.267 | 1.292 | 1.328 | 1.268 |
| **Machines and parts:** | | | | |
| Adding machines | .205 | .679 | .755 | .550 |
| Vacuum cleaners | .540 | .103 | .050 | .037 |
| Washing machines | .388 | .453 | .751 | .640 |
| Typewriters | .014 | .502 | .944 | .725 |
| Trucks, cars and parts | 2.751 | 2.156 | 1.911 | 1.186 |
| Total* metal products | 10.423 | 11.736 | 13.019 | 11.335 |
| **Chemicals, etc.:** | | | | |
| Acids | .710 | 1.088 | .987 | .891 |
| Cobalt oxide and salts | .469 | .562 | .486 | .648 |
| Drugs | .555 | .663 | .719 | .799 |
| Paints, etc. | .323 | .455 | .441 | .376 |
| Soap | .595 | .815 | 1.009 | 1.216 |
| Total* | 3.212 | 4.191 | 5.144 | 5.565 |
| **Miscellaneous:** | | | | |
| Films | .454 | .510 | .500 | .323 |
| Stationery | .518 | .632 | .627 | .564 |
| Total* | 3.198 | 3.216 | 3.983 | 4.270 |
| Total manufactures | 22.599 | 26.276 | 31.327 | 29.591 |
| Total all exports | 321.556 | 407.997 | 409.412 | 325.465 |

*Totals include other items not specified.

**Big Gains — Some Losses!**

Biggest gainers in the period were relatively new lines such as fibres and textile products, especially artificial silk, heavy manufactured items such as rolling mill products, electrical apparatus, wool, farm implements, hardware, cutlery, and among the chemicals, cobalt oxides, paints, drugs, and soaps, and in special machines, adding machines and typewriters made a standing gain.

In the opposite category were automobiles, vacuum cleaners and similar items, which apparently were hard hit when Great Britain deserted her historic free trade role back in 1932.

The trend is indicated in the accompanying table in which is included all major lines the average person would associate with manufacturing. Not included, however, is the important item, newsprint, which was reviewed in a previous article, cheese and packing house products which were dealt with under food. In metals, also handled in a previous article, the list is limited approximately to near finished products and does not include copper bars, etc. In the table, however, there are many products such as acid, wire, etc. which, while fabricated in this country to a considerable extent, do not enter directly into consumer products.

In appraising postwar possibilities of the British market for Canadian manufactured products, about all that can be done at this time is to point out pre-war trends and assume that under certain conditions development along the line indicated by these trends will continue. Much depends upon the postwar trade attitude of Great Britain. Tariffs, naturally, will have a most important bearing.

Proof of this is forthcoming by a glance at the pre-war trend of motor car exports. Back in 1929 Canadian automotive factories did important business with the United Kingdom. In that year over 8,500 passenger cars were exported, valued at well over $5 millions. When Britain applied protection, this export business fell off sharply. It dropped to 243 vehicles in 1932. There has been some recovery since, but the trade never got back to 50% of 1929 volume in the four years immediately preceding the war.

**Plenty Of New Capacity**

So far as capacity is concerned, and this applies to nearly every line of manufacturing, including motor cars, the Canadian industry after the war could easily supply Great Britain with two or three times the pre-war output. In fact, war export today of manufactured goods has soared far beyond such expansion. Since 1939 export of armored and other vehicles has jumped again and again, and the same must be true for the output of all heavy and medium and light industry that has been geared to war requirements. It would be a simple matter to convert this present-day production to the needs of peace.

There are few engineering difficulties in switching from military vehicles to passenger cars and trucks, from machine guns to typewriters, from guns to plows. The important difference to keep in mind, however, is that while Great Britain at war is anxious to get all the trucks, armored cars, tanks, guns, planes, searchlights, etc. that Canada can manufacture, after the war has been won there may not be the same eagerness to accept peacetime manufactured goods that Britishers may prefer to have made in their own factories at home. But in some special lines Canadian production seems to have established a firm place in the British market. Assuming factories can be quickly converted so that a flow of these goods starts again before new competition develops there seems to be no reason why the export trend of 1936-1939 may not be resumed.

**Rubber Exports**

Canadian-made rubber boots and shoes, and canvas shoes with rubber soles were firmly established in the pre-war British market. Total export amounted to $3 or $4 millions a year and was remarkably stable. Volume for 1938 and 1939 was up almost a million dollars or 25% over 1929, but even in the depth of the depression there was a considerable export. In this line it would appear that certain Canadian manufacturers had firmly established themselves in Great Britain.

**Textiles**

In the textile field, too, gains had been made in the pre-war years, with artificial silk and silk stockings showing substantial expansion.

In these lines, as with most exports of manufactured products to Great Britain, the trade was a specialized business with a relatively small number of factories mainly interested. On the whole, volume was small as compared to the total output of Canada, but it would be most important to the small number of exporters interested.

Aside from automobiles and some special lines like vacuum cleaners, which have already been discussed, from one third to half the total trade in export products concerned items made, or largely so, of metal. Rolling mill products, hardware, cutlery and electrical apparatus were most important. Export immediately before the war was steady or gradually expanding. A good deal of the business was connected with the tremendous housing development which took place in England and Scotland in the stable period between the wars, that is, after the immediate recovery from the first Great War and before feverish preparations for the next war commenced in the fall of 1938. Great quantities of Canadian-made hardware, electrical apparatus, heating, plumbing and roofing equipment were used. After this war, assuming that trade policies are favorable, still greater expansion may reasonably be expected, in view of the tremendous damage to housing and other buildings in the Mother Country.

**Farm Implements**

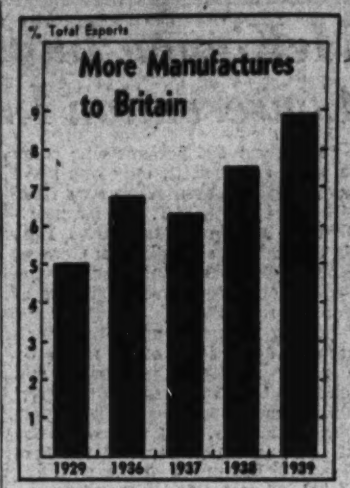
Canadian farm implement manufacturers did a fairly steady business with the United Kingdom before the war and volume showed considerable gain from 1935 on. Since the war British agriculture, and it is a major industry in the Old Land, has been largely mechanized with power-driven machinery replacing a great deal of the small sized horse-hauled implements in use before. Undoubtedly much of that development will be retained after the war which will mean a big market both for new machines and parts if Canadian implement manufacturers can get hold of it. The highly farmable record of Canadian tillage and other farm machinery during the war may prove excellent advertising.

In the special machine and equipment field there have been rather violent changes. Export of typewriters to Great Britain, for instance, soared from a few thousand dollars' worth in 1936 to almost a million in 1938. Such expansion might easily be held if tariffs were favorable. But the field is narrow, and might be more seriously and quickly upset than one, say, like farm implements, where the range both as to manufacture, variety and market is much wider.

Vacuum cleaners offer an example. Export of these fell off from over half a million dollars in 1936 to less than $50,000 in 1939. Undoubtedly Great Britain placed a much higher war priority on typewriters than on vacuum cleaners, just as has since been done in Canada and the United States. Some of the loss may be regained after the war. It is important to remember, however, that more than the war figured in this particular export, because official figures show almost $2 millions of vacuum cleaners shipped to Great Britain in 1932.

**Chemicals**

Acids, cobalt oxides, salts and similar chemicals seemed fairly firmly established before the war. Good gains were made between 1936 and 1939, though some totals were still below 1929. Future development in these lines will undoubtedly be affected by the amazing chemical progress made during the war. Canadian capacity must have doubled and trebled in some lines but undoubtedly, too, process for utilizing chemicals have been revolutionized so that after the war considerable changes in pre-war markets may be expected.




In the period between two wars manufactured goods made a slowly growing share of Canada's total exports to the United Kingdom. The proportion grew from 5% in 1929 to almost 9% in 1939.

# New Dominion Measure May Aid Slum Clearance

### Big Cities Would Hasten Enactment of Rental Housing Subsidy Legislation and Start Construction Now

New federal legislation for rental housing developments in Canadian communities after the war is being studied by the Government instead of re-enactment of NHA's defunct Part 2, The Financial Post is told in municipal and construction circles. Such a measure, it is said, would authorize municipal housing authorities to undertake slum clearance programs with provincial and federal co-operation.

Later this month, The Post understands, proposals for postwar housing and community planning measures will be submitted by the Dr. C. A. Curtis subcommittee and considered by the Advisory Committee on Economic Policy. Reports of the James Committee and other of its subgroups were presented to the Prime Minister last month.

Superseding the 1935 Dominion Housing Act, under which $21 millions had been loaned to individual private borrowers, the National Housing Act of 1938, by the end of 1942, had covered loaning of $92 millions more under Part I. Under Part 1 of NHA, loans are made jointly to individuals by the Dominion and approved lending institutions.

**Part 2 Dead Letter**

NHA Parts 2 and 3, however, failed to offer equal attraction. Part 2 provided for $30 millions of loans to "local housing authorities," or "limited dividend companies," with which funds these would build large-scale rental housing for low income families; low income is defined as "less than five times the economic annual rental of a housing unit suited to the family's need."

Not a cent of the $30 millions was taken up and the measure expired March, 1940; in several provinces, including Ontario, municipalities lacked legislative power to form local housing authorities.

Part 3 authorized bonuses for municipal taxes for three years on houses under $4,000.

Each level of government blamed another for lack of co-operation in implementing Parts 2 and 3 but the fact that emerged was that nothing was done.

**U. S. Pattern Suggested**

Toronto Board of Control recently endorsed a petition requesting the Dominion and Ontario Governments to enact legislation similar to the U. S. Housing Act of 1937.

Offering the motion, Controller R. H. Saunders said it was not the function of the municipality to deal in real estate or compete with persons who provide almost all of the city's revenue, but under the U. S. measure, federal and state governments guarantee to finance and set up municipal authorities with wide powers to tear down slum areas and rebuild them.

**Some Would Act Now**

There has been heard in some cities an argument that the municipality should move before war's end.

Toronto city council this week ratified a plan to seek federal and provincial legislation and financial assistance, and set up a civic housing board with power to build and rent 1,000 minimum-cost housing units in 1944.

Council approved a report of a civic welfare subcommittee which advocated federal and provincial legislation providing for immediate commencement of low-rental housing projects, acquisition of land and establishment of controls on improvements in reconstruction areas of the city.

Montreal's city housing director, Aime Cousineau, civil engineer, has been among recent advocates of federal action now, instead of at war's end, to subsidize construction of rental housing for families in the lowest income brackets. Mr. Cousineau, however, sees private corporations as recipients of such aid.

# Export Goods Are Allocated

### U. S. Firms Set Aside Percentage Output to Ship Abroad

**By STAFF WRITER**

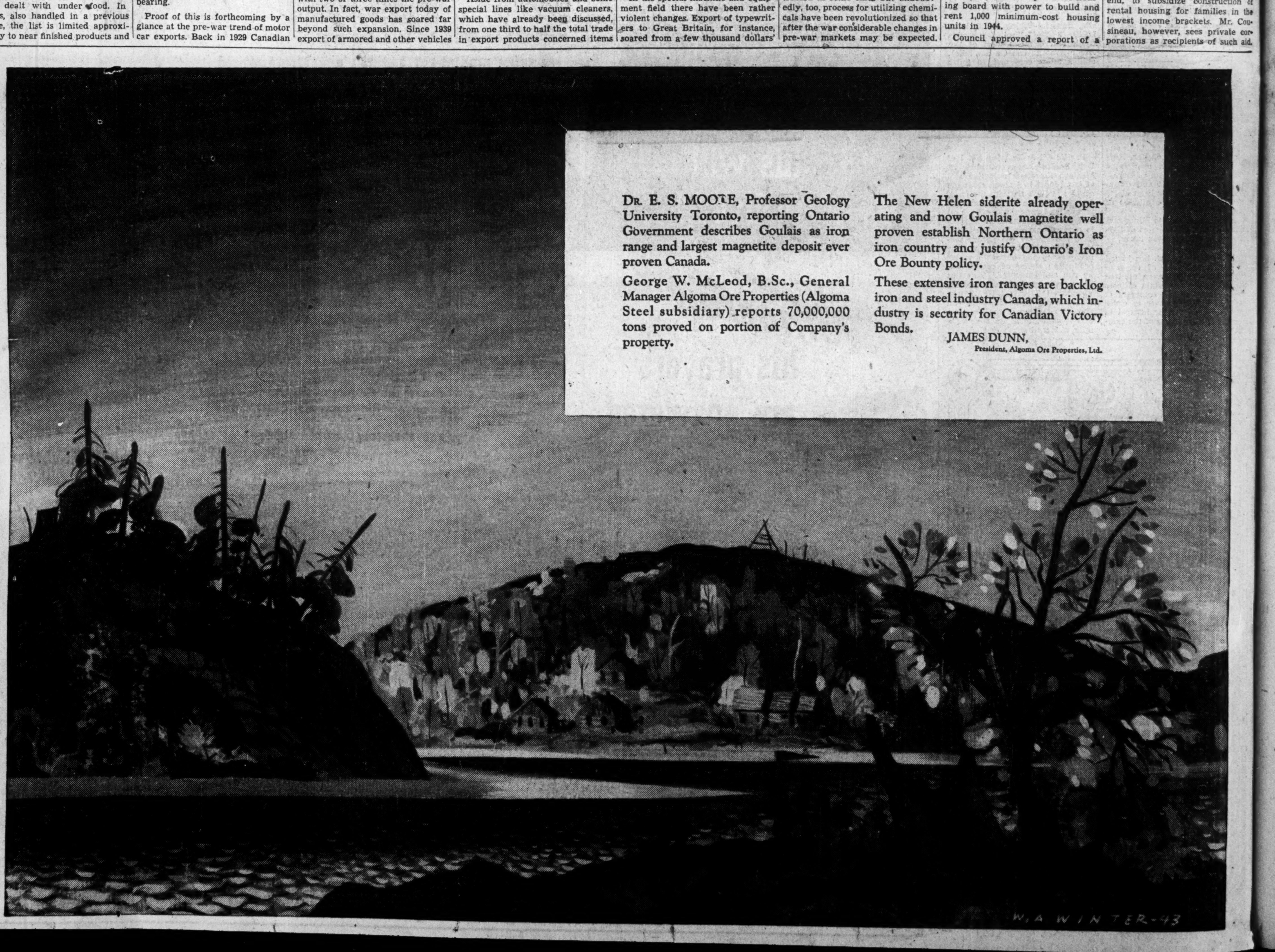
NEW YORK.—Nelson Rockefeller, Co-ordinator of Inter-American Affairs, regards South America as the biggest foreign market potential available immediately after the war.

On the whole foreign trade problem, he raised one important query: to fill the backlog of demand being built up during the war, he estimated that American industry would require six or seven years of top speed production.

During that period, would American industry devote its entire attention to the domestic market and tell the equally insistent demand of other countries for American goods just to wait?

Some American firms, Mr. Rockefeller said, had already adopted a policy whereby a certain percentage of their production would be set aside for foreign trade, no matter how clamorous the home demand. This, he urged, was what all business should do, both to give meaning to the good neighbor policy and to maintain standing in foreign markets.

The "Take it or leave it" attitude, which he said had been common in the past, isn't good enough for the future, said John B. Glenn, chairman of the Pan-American Trust Co. Business must, he urged, do business with Latin America in accord with the preferences and customs of the people.

Longer credits must be arranged, he said.

To foster import trade from South America, he said that experiments are now under way to grow in Latin America a dozen of the big volume raw materials, foods, etc., which formerly were brought from the Far East. Within a few hundred miles of the U. S. border many big crops could be grown which traditionally have been shipped more than 12,000 miles.